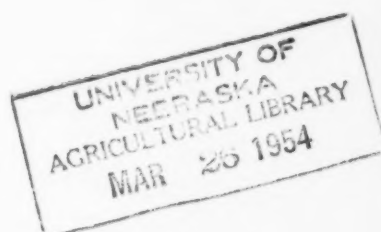


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# AGRICULTURAL FINANCE REVIEW



FARM CREDIT  
FARM INSURANCE  
FARM TAXATION

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This publication is a contribution of the Agricultural Finance Section, Norman J. Wall, Acting Head. The staff of this Section conducts research in agricultural credit, farm taxation, farm insurance, and in other fields relating to the general financial condition of agriculture. The results of this research are made available through reports and publications. Also, pertaining to matters of agricultural finance, data are furnished on request to various Agencies of the Department of Agriculture, to other Federal and State organizations, and to private individuals and organizations.



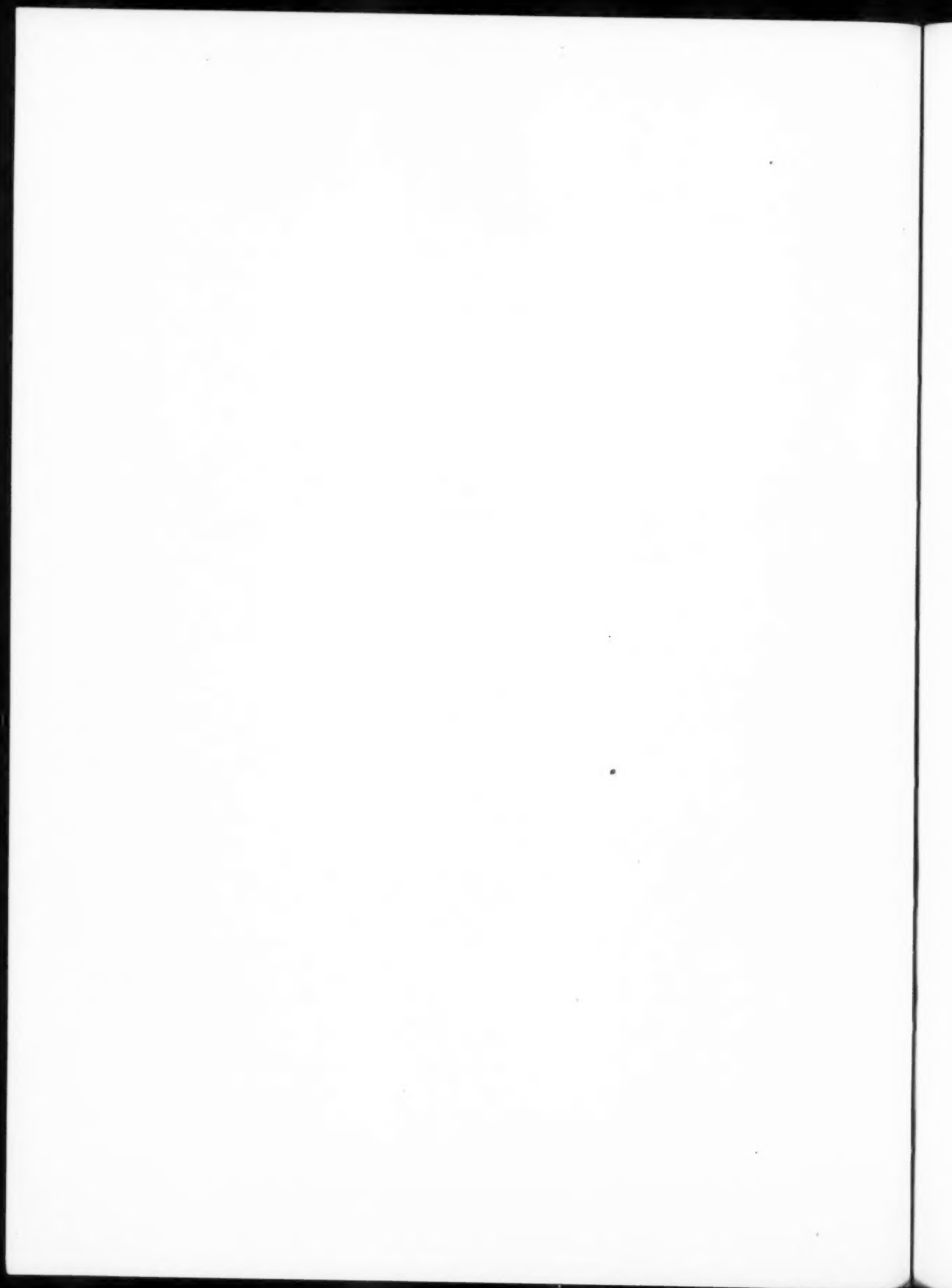


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# AGRICULTURAL FINANCE REVIEW

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## FITTING INSURANCE TO FARMERS' NEEDS AND CIRCUMSTANCES

Ralph R. Botts

Farmers are confronted with an exceptionally wide variety of personal and property risks. For this reason, when farmers plan their financial programs, they should consider insurance against these risks. Moreover, measures should be taken to reduce the financial risks that cannot be insured against and those that farmers do not feel able to cover adequately.<sup>1/</sup>

Insurance is particularly adapted to a situation in which the probability of loss is small but the amount at risk is large. This is because a large loss could be disastrous and also because the cost of insurance is relatively low if a large loss is unlikely to occur. Small, frequent losses are relatively costly to insure against and individually they are not disastrous. It is better to recognize their cost as a current expense, rather than as risks to be insured against.

This article considers the various risks that confront farmers during several periods in their lives, and the way in which insurance can be adapted to changing circumstances. Opinions with regard to insurance programming differ greatly, and farmers' objectives and preferences differ, so that there is no uniform insurance program that will suit all farmers. This discussion is intended to show how insurance can be used by farmers to protect themselves against the common risks they face, and how an insurance program can be adjusted to the changes in circumstances that commonly occur during various stages in a farmer's life.

Let us consider the insurance needs of a young farmer, 26 years old, just starting as an owner. He is married but has no children. His farm cost \$20,000; it has a \$10,000 mortgage, and liens amounting to \$3,000 on machinery and livestock valued at \$5,000. His checking account amounts to only \$450, of which he considers \$300 as his "all purpose" reserve for unexpected expenses such as hospital bills, and \$150 as a fund to meet current expenses. The replacement value of buildings on the farm is \$8,000.

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<sup>1/</sup> See discussion on "Reducing Farming Risks," p. 70.

One of the problems of most young farmers is that their insurance needs are greatest when they can least afford to pay premiums. Thus they must be selective in the insurance they take. As a rule, insurance should be taken only on those hazards that seriously endanger financial security; but, for the farmer who is just starting as an owner, even a relatively small loss could be serious. Except for insurance on his buildings, his insurance needs as a tenant, in accumulating money for a downpayment on the farm, were similar to his needs now as a starting owner who is heavily in debt.

This chapter takes the reader through four stages in the life of the beginning farmer.

# I

This farmer's most pressing insurance need appears to be the adequate coverage of his buildings against loss by fire (and lightning), because many farm fires result in complete loss of the property. That event would probably ruin him financially, as the amount of such a loss would be great. In fact, his creditors may require that the buildings and machinery be insured against fire and wind damage. But even if they do not, it would be a good idea for him to have fire insurance on the buildings. Insurance for three-fourths of the cost of replacement would amount to \$6,000. That much fire insurance would cost about \$16 a year, if the United States average assessment rate charged by farm mutuals were paid.

The need for fire and lightning insurance on his machinery and livestock is somewhat less than that for fire insurance on buildings.<sup>2/</sup> This is because machinery is often stored in different places. All of it is seldom lost from one fire, and usually only one animal at a time is lost from lightning. If insurance on machinery and livestock is taken, an amount less than the actual value would meet minimum requirements, considering the farmer's shortage of funds and his other needs.

Lesser insurance needs include windstorm (and hail) insurance on buildings, hail insurance on growing crops, accident and hospital insurance, and life insurance. Windstorm insurance is needed less than fire insurance because of the lower probability of complete loss if windstorms occur. Many small losses account for most of the payments for windstorm damage by insurance companies. If our hypothetical farmer lives in the East, where the risk from wind and hail is less - and if creditors do not require them - he might omit all of the forms of insurance mentioned in the first sentence of this paragraph except life insurance. It would probably be a good idea, however, for him to include Federal all-risk insurance on his cash crop as a minimum requirement - if it is offered

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<sup>2/</sup> Holders of chattel mortgages on equipment purchased on time may require their balances to be covered by insurance.

in his county. Such insurance must be taken before the crop is planted, and an application for it must be filed before a specified date.<sup>3/</sup>

If our hypothetical farmer lived farther West, in a windstorm area, he might decide to buy some windstorm insurance, particularly on buildings.<sup>4/</sup> And if he lived in an area in which severe damage by hail to growing crops is common, he might take crop-hail insurance in a year in which he had prospects for an above-average crop. If possible, he should have enough insurance to cover his investment in the crop and assure payments on the mortgage and his machinery if his cash crop and the prospective income from it should be lost from hail.<sup>5/</sup> A farmer in eastern Iowa might pay 15 cents per \$100 of windstorm insurance on his buildings and about \$2 per \$100 of hail insurance on his small grains. In areas in which windstorm and crop-hail damage are most common, crop yields also tend to be most variable. A principal hazard is drought. In such an area, all-risk crop insurance on cash crops is even more necessary than in Eastern States. In a county in central Nebraska, insurance for \$14 per acre of corn would cost \$1.10.

This farmer should have liability insurance on his automobile and motortruck, if possible, because of the stringent automobile financial responsibility laws of most States. He would not want to lose his driver's license or have a judgment rendered against him because of his responsibility in an accident. But he might omit other forms of liability insurance, including public liability, employer's liability, and workmen's compensation insurance (unless he lives in a State in which the latter is required) until he is in a better financial position. We have assumed that our young farmer needs his money more for other purposes, and that he must take a chance on some risks in order to have enough cash left to meet current expenses. Later, when he has more equity in the farm and greater net worth, he will need and will be better able to pay for more kinds and larger amounts of liability insurance.<sup>6/</sup>

Unless creditors require that he carry these coverages, in connection with time purchases, the farmer may find it desirable to omit the "own car" coverages on his automobile (and motortruck).<sup>7/</sup> His all-purpose

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<sup>3/</sup> Under an all-risk crop-insurance policy, the maximum coverage applies only if the crop is harvested. If not harvested, coverage is reduced. If, for purposes of illustration, a crop were harvested, the final yield would be valued at a fixed price to determine whether there is an indemnity, and its amount. If the valuation of production amounts to less than the coverage, an indemnity equal to the difference would be paid. Losses are settled on the basis of total farm production, and not by individual acres or fields.

<sup>4/</sup> Under fire and wind coverage, partial losses that do not exceed the amount of insurance are payable in full.

<sup>5/</sup> Losses under the crop-hail policy are payable on the basis of percentage of damage. If an acre of crop is damaged by 40 percent, that percentage of the insurance on the acre is payable.

<sup>6/</sup> The chances of being sued probably increase with net worth; also, the amount of any judgment obtained may be higher.

<sup>7/</sup> Collision and "comprehensive" coverage.



reserve would provide for necessary repairs to his car after a collision for which he is at fault. The other person's property-damage liability insurance would pay for repairs to the farmer's car if the latter were not at fault. There is little chance that his car will be stolen from the farm, and he can put fire extinguishers on it as a fire-prevention measure. Any glass breakage of car windows can be paid for from the all-purpose reserve. There appears to be more need for these coverages when a car is new than when it is old and the annual premium for insurance amounts to a higher proportion of the car's value.

Although this farmer, in some respects, needs life insurance more now than he will later on, there are offsetting factors. Although he has a substantial equity in his farm, he wants to provide as much additional security for his wife as he can. He recognizes, however, that she is still young and able to work and that if he should die early she might remarry. Moreover, she might not wish to remain on the farm. She might prefer to take a job in town. As the farmer's circumstances improve, he will want to increase his life insurance coverage, but for the present he might take only \$1,000 of term insurance to pay burial expenses and provide a little extra cash, in case of his death. In addition, his widow would have the equity in the farm.

Some people would consider some of the omitted coverages as essential; for example, hospital insurance. In fact, there are good reasons for the farmer to obtain hospital insurance on himself and his wife. If he can buy it under a group plan, through his farm organization or marketing cooperative, it will usually cost less than an equal amount of protection obtained under individual policies. But one reason why hospital insurance has been omitted is the slight chance - at his age - that a long period of hospitalization will be required. In any event, if he thinks he cannot afford it, he may have to do without it. He still has his all-purpose reserve fund to fall back on. And doctors' and surgeons' bills may sometimes be spread over a period of time. Later on the need for hospital insurance will be greater - when he and his wife are older and if they have children. The cost of a family policy then might be no more than the cost of one for his wife and himself now.

The availability of funds for buying insurance is a relative matter. So also is the desirability of insurance, even for families in about the same financial condition. Some families lack funds for insurance because they prefer to spend their money for current living comforts, or because they are building up other types of assets in an effort to provide security and greater earning power. Others buy insurance because they want to economize on living costs now in order to be more certain of living comfortably later on, or because they want additional protection while building up these other types of assets. Notwithstanding these differences in methods used to provide future security, much can be said in favor of some use of insurance. On the average, the risks covered are really costs of living and of farming. Without insurance, these costs will be small for some families and large for others. It is impossible for the individual farm family to foretell its own costs; but insurance will assure that the cost of the risks insured against will be no greater than the average for all insured farmers.



## II

It is assumed that hospital insurance under a family contract was added sometime before a son was born. It might cost about \$6 a month. With the birth of the child, the need for life insurance on the farmer's life (at age 28) is increased. If the farmer should die, his widow may be less likely to remarry. She might be less able, because of the child, to work and provide for herself and the child. But if the farmer has the same buildings and equipment, and if replacement costs have not increased, his other insurance needs have not changed. It would be well for the farmer to review his property insurance at this time to see whether he has adequate coverage with respect to the hazards insured against. In years of above-average crop prospects, he probably should continue to get a deductible hail insurance policy on his principal cash crops. He needs it to protect himself against complete loss of prospective income at a time when hail is his principal remaining hazard. If he does not have a crop loss, he will be better able to pay premiums for the hail insurance. But if his net worth is not much greater at this time, he has no greater need for liability insurance than he had before.

If his financial position permits the purchase of additional life insurance, he might consider taking enough more to pay off the remainder on the mortgage and provide a larger tide-over sum for his widow and child. Even though he cannot hope to carry enough life insurance to equal the present value of his probable future earnings, he probably will want enough to pay debts and make up at least part of his earnings until such time as the son can take over or until he feels that his widow will be able to manage alone.

Anyone upon whom others are dependent needs some life insurance to protect his security. A farmer who has minor children, only a small bank account, a mortgage on his farm, and liens on equipment needs it more than a farmer in better circumstances. Ordinary life insurance may be used to meet permanent needs, and term insurance can be used to meet temporary needs, such as for payment of debts. Those who want to save through insurance, rather than by plowing back all their savings into the farm, can do so by buying limited-payment life or endowment insurance. The latter is a good way to save for the future education of a child. But the insurance should be on the farmer, rather than on the child.

Suppose that the more or less permanent needs of this farmer - for his own funeral expenses and for a tide-over sum for the family - amount to \$3,000, and that \$10,000 of additional life insurance would be required to pay off the mortgage or, together with his equity in the farm, to establish his widow in town and provide her with a modest monthly income for a few years.

The farmer in our example might obtain \$3,000 of ordinary life insurance and \$10,000 of term insurance. Because interest has taken such a large part of the early payments on the mortgage, the debt has been reduced by only about \$600 in 2 years. The \$10,000 of insurance would,

therefore, provide some extra cash after liquidation of the debt. The longer the farmer lives and pays on his debt during the term of his temporary insurance, the more extra cash there would be for his widow in case of his death. Term insurance costs less than other forms of life insurance, as it provides protection with no savings. The longer the term, the higher the annual premium at any age. If bought at age 28, one company charges an annual premium of about \$7.25 per \$1,000 of 5-year term insurance, and about \$10 per \$1,000 of 10-year term insurance. Both rates are for term insurance that is renewable and convertible. (See discussion later.) The same company charges about \$18 per \$1,000 for its ordinary life insurance.

Either term or ordinary life insurance may be obtained in several policies at the same rate per \$1,000 as though the insurance were all in one policy. Moreover, the premiums on the individual policies may be arranged to come due annually but at different times. Another advantage of having several policies is that some of the insurance can be dropped if there is no longer a need for it or if net income is so low that the premiums for all policies prove too burdensome. As the mortgage is reduced, the farmer in our example can drop one or more of his term policies if funds are short. Or if his financial position improves, he can add to his life insurance by taking out additional policies that fit his needs.

Life insurance may be made payable in monthly installments, as a lump sum, or as a combination lump-sum payment and periodic income. After all policies (except the term insurance) have been in force for 2 or 3 years, they have surrender values and may be cashed if needed. Or money may be borrowed on them at banks or from the insurance company, using them as security.

It is best to have term insurance that is both "renewable" without physical examination and "convertible" to a higher premium policy. Although a convertible term policy may be converted to a higher premium policy for the same face amount at the end of the term, without a physical examination, a physical examination is ordinarily required to obtain another policy when the expiring insurance is not renewable or convertible. This renewable term policy avoids the risk of inability to renew term insurance because of bad health later on, when the farmer might be less able to pay the higher premiums required for conversion of his policies. It is also advisable to get a "waiver of premiums" clause on all insurance policies. It costs little extra. With the protection, premiums would be waived if the policyholder were to become totally disabled.

An alternative would be to buy a "family income" policy, which combines ordinary life insurance with term insurance in reducing amounts. For example, a \$3,000 policy might be obtained under which \$30 a month would be payable to the widow from the date of death of her husband to a future date selected at the time the policy is taken out, say 10 years hence. Other income periods may be selected, such as 15 or 20 years, or until the husband would have attained a selected age had he lived. The monthly income may be used to pay living expenses or to make payments on the mortgage. At the end of the income period, the face amount (\$3,000,

in the example) is payable in a lump sum or as a monthly income. This type of policy is particularly adapted to the needs of the young farmer, as it provides his family with more protection at first than later on. The longer he lives, the shorter the period during which the monthly income would be payable to his family; therefore, the protection costs less than if the monthly income were payable for a specified period following his death.

In selecting life insurance, it is perhaps more important to choose the right kind of policy than to choose a "right" company. Most companies are now on a legal-reserve basis, which means that they must set aside reserves to meet future death payments, and must invest these reserves in accordance with State laws. The cheapest policy is term insurance; but the premiums go up every time a policy is renewed. The shorter the term, the lower the premium. There is no surrender value at the end of the term. The most expensive policy is an endowment policy. The shorter the term, the higher the premium, as it is made up mostly of savings. These savings accumulate to the face amount of the policy, which is payable to the policyholder at the end of the term - if he is alive. If death occurs in the meantime, the face amount is payable to the beneficiary. In between these policies, in ascending order of cost, are the ordinary life and limited-payment life policies. They include less savings than an endowment policy, and therefore cost less and have less surrender value than an endowment policy of equal amount taken out at the same age.

The settlement options and nonforfeiture provisions of life insurance policies contribute much to their flexibility in meeting the changing needs of farmers.<sup>8/</sup> If the farmer in our example were concerned as to his widow's ability to spend the insurance money wisely, he could arrange for payment of the money as a monthly income for a selected period, and she could not change his arrangement after his death. She might, however, choose a monthly income in lieu of a lump sum if he had chosen the latter. The nonforfeiture provisions of life insurance policies are discussed later in this article.

### III

Suppose we assume that by the time his son is 7 years old, the farmer is in better circumstances. Now he also has a daughter aged 3. He has increased his acreage, added farm machinery, and increased the size of his herd. His net worth is considerably greater now than at 28. Although most of his earnings have been reinvested in the farm, we assume that his checking account (and reserve fund) also has been increased. Moreover, his prospective annual income is higher, so that he is in a better position to pay premiums. In this situation, at age 35, how have his insurance needs changed?

<sup>8/</sup> For an example of life insurance programming, see the November 1946 issue of this publication (p. 21).

If he has added new buildings, such as machinery sheds or grain-storage bins, or if the replacement cost of existing buildings has increased, he will probably want to increase his fire insurance. He will want to keep his insurance as nearly in step with values as he can, so that losses amounting to more than the insurance would not put him out of business or be too burdensome. He should also check to see that he is not paying premiums on a building that has been removed or a piece of machinery that has been discarded or sold.

This farmer might also take out more windstorm insurance on buildings and more crop-hail insurance on his cash crops in a year when his yield prospects are good. He now begins to think more about protecting prospective profits and less about safeguarding his cash investment in crops.

He might take the windstorm and crop-hail insurance under deductible clauses, for which premium reductions would be granted in consideration of his bearing the smaller losses unaided. A \$50-deductible clause on windstorm insurance might reduce the rate by as much as a fourth, and a 25-percent deductible clause on crop-hail insurance would reduce the premium rate by even more. An alternative would be to get more insurance under deductible policies for the same premium outlay as would be required for lesser amounts of insurance without the deductibles.

As he is in better circumstances and has more to lose in a lawsuit, he probably will want additional kinds of liability insurance and more automobile liability coverage than he had before. He might increase the liability coverage on his automobile from 5/10/5 to 20/40/5.<sup>9/</sup> The latter would cost about \$30 or \$35 a year. A farmer's comprehensive personal liability (FCPL) policy would protect him against lawsuits by the general public. Protection up to \$10,000 might cost about \$25 for 3 years. If he employs hired labor, he probably would want either workmen's compensation or employer's liability insurance to protect himself against suits by employees.<sup>10/</sup> The premium might amount to something like 2 1/2 or 3 percent of payroll, subject to a minimum annual premium of about \$25 or \$30 a year. Under all kinds of liability policies, the insurance company provides legal services, pays court costs, and pays any judgment up to the face amount of the insurance.

<sup>9/</sup> The 20/40/5, for example, is interpreted as \$20,000 of liability insurance covering an injury to one person in one accident; \$40,000 of protection against injuries to all persons involved in one accident; and \$5,000 of property-damage liability insurance per accident.

<sup>10/</sup> Under workmen's compensation insurance, the benefits payable to the injured employee depend on the benefit schedule established by State law. If the employee refuses to accept these benefits, the insurance protects the employer against a lawsuit by the injured employee. Except for small medical bills that might be paid without regard to fault, the injured employee must get a settlement out of court or sue to get a payment under the employer's liability insurance.



If no extra payments have been made on the mortgage, about \$7,500 will still be due at this time. If \$8,000 of the original \$10,000 of term life insurance has been kept in force to cover this balance on the mortgage, then \$2,000 of it was dropped. When his mortgage has been paid off, this farmer may have no further need for term insurance. As he grows older, he must pay more per \$1,000 of insurance each time he renews his term policies. It is assumed, however, that the ordinary life policies have been kept in force.

This farmer's good payment record has helped to establish a line of credit which provides some security for the future. He is now in better position to consider the higher premium life insurance policies from the standpoint of their investment possibilities. As the amount of premium increases, more of it goes into savings. As an example, the following policies are ranked from lowest to highest cost per \$1,000 of insurance at any given age: 30-payment life, 20-payment life, 20-year endowment, 15-year endowment, and 10-year endowment. The savings (surrender values) increase in the same order.

For a \$1,000, 20-payment life policy, taken at age 35, the company mentioned previously charges an annual premium of about \$34 in comparison with a cost of about \$47 for a 20-year endowment policy for the same amount. An ordinary life policy in the same company, taken at age 35, costs about \$22 per \$1,000.

At this point, it probably would be wise for the farmer to take an ordinary life policy on his wife in sufficient amount to pay burial expenses. Perhaps \$500 would be enough. But if a policy in this amount can be had only as "industrial" (weekly premium) insurance, its cost should be compared with the cost of a "standard" ordinary life policy for \$1,000 before a decision is made. If his wife were aged 33, the standard policy would cost about \$21 a year. For a given amount of insurance, the premium is higher for industrial than for standard insurance. Juvenile policies are available for the children.

The higher surrender values of the higher premium policies provide larger savings that may be drawn upon if needed. These funds may be borrowed from banks or from the company - using the policies as collateral. Or they may be cashed for their surrender values.<sup>11/</sup> The higher cash values mean more savings for the day when the farmer wants to start taking it easy or to retire. He will want to have a settlement option included in these policies under which he can use their cash values as a life annuity for himself or, perhaps, as a joint and two-thirds survivorship annuity on both himself and his wife. Under the latter arrangement, after the passing of one, the surviving spouse would get two-thirds as much as when both were alive.

<sup>11/</sup> These values are shown in the policy according to the length of time the policy has been in force. As the premium for the term policy does not include any savings, it has very little surrender value within its term, and none at the end. However, ordinary life and other policies have cash values that increase as long as they are held, or until maturity date for endowment policies.

Ordinary life policies call for the same premium payment each year as long as the policyholder lives. These policies are usually best for those who are interested in lifetime protection and who have other ways of investing their money.

The 20-payment life or other limited-payment type policies cost somewhat more than an ordinary life policy taken out at the same age. A policyholder really pays the current cost of protection plus enough more so that, when put at interest by the company, it will amount in 20 years (or other limited payment period) to a sum large enough to pay the future premiums. This kind of policy is used by those who want to pay their insurance in full before they become too old or before their earning power begins to decline.

Endowment policies combine protection for a specified term of years with a considerable element of investment and, therefore, they cost more. At the end of 20 years, or other specified period, such a policy has a cash value equal to its face amount. Thus, if one takes out a 20-year endowment policy for \$1,000, he pays a premium large enough to carry the insurance and build up an investment which, at the end of the 20 years, will represent savings of \$1,000.<sup>12/</sup>

#### IV

Finally, let us assume that the farmer in our example is 65 years old, and has decided to retire. The son has been farming, first as a tenant and then as an owner, and the daughter is married. Our farmer has discharged his responsibilities to his children.<sup>13/</sup> Any small life insurance policies on the children have been turned over to them for payment of future premiums. Some equitable division of the estate has been decided upon. The farmer wants to reduce his premium outlay as much as possible. For himself and his wife, he desires only burial funds and security in old age. Rental of all or part of the farm would provide some additional income. His wife is 2 years younger than he is, but even if she were somewhat older, she would be likely to outlive him - if she is in good health.<sup>14/</sup> So he also wants to provide as much security as possible for her after he is gone.

<sup>12/</sup> The dividends returned by the mutual company serve to reduce the amount of the annual payment, year by year, so that the "level" premium decreases somewhat. If the dividends are left with the company, the cash value of the policy exceeds its face amount at the end of the term.

<sup>13/</sup> If endowment policies were taken earlier (on the farmer's life), with their terms coinciding with the children's graduation from high school, the money was available to start them in college. The farmer may have figured that he would be able to "stay ahead" of college expenses after the first year of each child in college.

<sup>14/</sup> Mortality tables used in determining the purchase price of annuities assume that a woman will live 5 years longer than a man - if both are the same age at the time the contract is made.

Property values and net worth represented by investments in the farm must be protected, as before. The farmer's need for life insurance, however, has changed. In providing for future security, he thinks more about a regular income for himself and his wife than about payments to protect those who are no longer dependents.

We assume that by this time the mortgage on the farm has been paid off, and that the farmer dropped his term policies as the debt was reduced. Although the premiums for the term insurance increased each time remaining policies were renewed, the farmer's total outlay for life insurance premiums was kept about the same by dropping a \$1,000 term policy when the reduction in the mortgage permitted. At this stage in life, it is assumed that the farmer has no more term insurance; but that he has kept up his ordinary life and higher premium policies, and the small policy on his wife.

Under the nonforfeiture privilege of his life insurance policies, the farmer can stop paying premiums and convert his surrender values to paid-up insurance for a reduced amount. At 65, each dollar of cash value - of any type policy - will buy from \$1.33 to \$1.38 of paid-up life insurance.<sup>15/</sup>

If this 65-year-old farmer still has some of the ordinary life policies that he took out at 28, their cash value would be about \$558 per \$1,000 of face amount.<sup>16/</sup> At an exchange value of \$1.38, the \$558 would provide \$770 of paid-up life insurance on which no additional premiums would be due. The cash valuations per \$1,000 of face amount of various types of policies which he took out later (at 35), are shown below:<sup>16/</sup>

<u>Type of policy</u>	<u>Cash value</u> <u>Dollars</u>
30-year term-----	0
Term to age 65-----	0
Ordinary life-----	523
20-payment life-----	723
30-payment life-----	723
Endowment at age 65-----	1,000
30-year endowment-----	1,000

Endowment policies, with terms shorter than 30 years, that were bought at age 35 would have matured for their face amounts in the meantime, and term policies for periods shorter than 30 years would have expired, if not renewed.

<sup>15/</sup> The older policies (American Experience, 3 percent) provide the larger exchange value (\$1.38), and the newer policies (Commissioners' Standard Ordinary, 2 1/2 percent) provide the smaller exchange value (\$1.33).

<sup>16/</sup> American Experience Mortality Table, with 3-percent interest assumption.

Conversion of an ordinary-life policy for \$1,000 to paid-up insurance would provide an ample burial fund for the farmer, and would possibly repay a small loan if money were borrowed by his wife to defray the expenses of his last illness. The cash values of any remaining ordinary-life policies and of the limited-payment life and endowment policies could be used to buy an immediate annuity for the farmer, payable to him during his remaining lifetime.<sup>17/</sup> It would be better, however, to get this annuity under a settlement option on the policies than to cash them and use the money to buy the annuity as a separate transaction. This is true because life insurance calculations are based on a higher rate of interest and higher death rates than those used in computing the purchase price of annuities. Moreover, there is no "loading" for expenses under the settlement option, whereas about 6 1/2 percent of the purchase price of the separate annuity goes for company expenses.

An alternative would be to get a joint and two-thirds survivorship annuity for both the farmer and his wife. Either optional mode of settlement might have been included in the policy when it was bought. The monthly income provided would be less, however, than if the annuity were payable only during the lifetime of the farmer; but his widow - who will probably survive him - would be provided for after he is gone. Under the joint annuity, payments would continue until the death of both of them; but after the death of the first, payments to the surviving spouse would be only two-thirds as much as those paid while both were living.

If the single-life annuity were chosen and the farmer died first, it might be necessary for the son to provide for his mother's declining years. But if the son died before his mother, the latter might be left unprovided for. The son could get a survivorship policy on his own life, under which the face amount would be payable to his mother if he died first. That event would be improbable, so the cost of the insurance would be small. If the mother should die first, nothing would be payable and the policy would be canceled. If, for example, the son should be killed in an accident while the mother was still living, she could choose a monthly income settlement payable for her remaining years in lieu of the lump-sum payment provided by the survivorship insurance.

Farm incomes tend to be highly variable, because of fluctuating yields and prices, or a combination of both. Therefore, "single-premium" life insurance - paid for in a lump sum - provides a means of saving that is especially applicable to farmers following a profitable year. Such paid-up insurance may be obtained in any type of policy. Its initial cash value increases year by year.<sup>18/</sup> These values could be cashed or drawn

<sup>17/</sup> A "cash refund" or "installment refund" annuity would provide less monthly income. We have assumed that the farmer has sufficient estate to provide an inheritance for the children, and that he wishes to use his insurance proceeds to provide the maximum monthly income to himself and his wife.

<sup>18/</sup> The cash value of the paid-up (single-premium) endowment policy increases until it reaches the face amount at the end of the term - for example, 20 years for a 20-year endowment - after which the face amount is payable and there is no more insurance.



upon for a loan as though the protection were paid for annually or otherwise.

In years in which farm income was high, the farmer might have invested in a deferred life annuity to go into effect at, say, age 65 - if he were alive then. Because of the possibility of earlier death, in which event nothing would be payable, and because of the accumulation of interest, such deferred annuities are relatively cheap. For example, \$1,000 invested at age 40 would buy an income of about \$15 a month beginning at 65. At 45, the same investment would buy about \$13 a month; at 50, \$11.25 would be provided; and at 55, the \$1,000 would buy about \$9.50 of monthly income beginning at 65 and continuing for the rest of life.

If our farmer has been able to accumulate some savings in addition to his equity in his farm and the cash value of his life insurance, he can estimate about how long the savings will last and can use the cash values on his life insurance to provide a deferred income - as described above - for the period after his savings are gone. He does not know how long he will live, and it is for this latter period that he wants security. In this situation, it would be possible for the farmer to live on his savings for, say, 5 years and use the cash value of his policies to buy a deferred income to go into effect after that time - if he is alive. The annuity might be either for the duration of his own life or it might be a joint and two-thirds survivorship annuity on both lives, as mentioned previously. In this way, he could let insurance provide the protection needed beyond the period for which he can reckon that savings will provide adequate security.

A deferred annuity of this kind would provide a larger monthly income than if it went into effect immediately. For example, at age 65, \$1,000 will buy from a typical company a single-life annuity that goes into effect immediately for about \$6.25 a month for the rest of life. If the income were deferred until age 70, he would receive about \$9.75 a month. If he were able to postpone the monthly income for 10 years (until age 75), he would receive about \$16.50 a month as long as he lived. If the farmer died in the meantime, nothing would be payable.

An assured monthly income after retirement would also be attained by many farm operators if the proposed extension of old age and survivors insurance becomes law. The monthly payments added to savings or to income otherwise provided - such as from rental of the farm - would be adequate for the needs of many elderly couples.

Life insurance is more flexible than most people realize, particularly if premiums have included some savings. A farmer should analyze his needs periodically and make insurance serve his individual needs. If the rate for a particular coverage is not available from an agent, his company can usually quote a rate for the desired coverage. As an illustration of flexibility in life insurance programming, consider a contract under which a policy, issued at age 30, pays \$5,000 if the insured dies between 30 and 50; \$3,000 if he dies between 50 and 65; and \$10 a month

beginning at age 65 if he lives. The premium-paying period might be for only 25 years. This kind of policy provides maximum protection while the insured is young; it decreases as the need for protection diminishes. After age 55, no more premiums are due, and, finally, if the insured lives to age 65, he receives a monthly income for the rest of his life. A premium for this policy can be quoted. Although this policy meets the general pattern of changing needs, it would not be feasible except as basic protection. This is because of the impossibility of planning adequately for the distant future. But in line with the primary purpose of this article, the example does illustrate the flexibility of insurance and the need for a periodic review of its adequacy.

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Oregon Rural Fire Protection Saves Farm Property.- The State Fire Marshal of Oregon, in his annual report for 1952, pointed out that "class 9 rural districts were responsible for a saving of \$1,547,589 during 1952 in Oregon." Fire-protection districts in Oregon are rated according to their efficiency and adequacy in fire alarm and fire-control facilities. For example, a "class 9" district would be expected to have somewhat better fire-protection facilities than a "class 10" district. Most rural fire-protection districts in Oregon fall in class 9.

Twelve new rural fire-protection districts were organized in Oregon in 1952, bringing the total to 140. They protect property located within a total area of 4,932 square miles, with an assessed property-tax valuation of \$317,869,897.

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Farm Accidents and Farm Safety.- For the last 3 years, the School of Agriculture, University of Minnesota, has offered short courses in farm fire prevention and safety, to young farmers and homemakers. In Vermont, the recently organized State Farm and Home Safety Council has begun a study of the causes of accidents on farms. In Arkansas, the Farm Bureau Federation has appointed a member of its staff as Director of a new Farm Safety Department. And in Kansas and Iowa, the Farm Bureau Federations have increased their farm safety staffs by one person each.

## OLD-AGE AND SURVIVORS INSURANCE FOR FARMERS

John C. Ellickson

The Old-Age and Survivors Insurance (OASI) program has been operated since January 1, 1937, and is now paying benefits to about 4.1 million retired persons and their dependents and to about 1.9 million survivors of insured workers. Agricultural workers were specifically excluded from this program in the original law, but amendments adopted in 1950 extended coverage to about 700,000 regularly employed hired farm workers.

In his State of the Union message in February 1953, President Eisenhower made recommendations that would extend OASI to millions of workers who so far have been excluded. On August 1, 1953, in a special message to the Congress he again pointed out the need for extending the Social Security program. On the same day the Secretary of Health, Education, and Welfare released a report by a group of consultants who had found it technically feasible to extend OASI to 10 or 11 million more workers, including self-employed farm operators and most of the hired farm workers not now covered.

On August 3, 1953, the Chairman of the House Ways and Means Committee introduced H.R. 6812. Provisions of this bill closely paralleled recommendations made by the consultants on social security. Congressional committees are now making other studies of social security. Although it is uncertain what action will be taken, this discussion of H.R. 6812, without going into technical details, illustrates some of the problems, probable procedures, and kinds of benefits that could be expected from an extension of OASI to farmers.

Qualifying for OASI Coverage

The bill provides that farmers, like other self-employed workers, must pay the premium tax on net earnings of \$400 or more up to a maximum of \$3,600 a year. It also has a special provision that if his net earnings from farming (after deducting allowable expenses) are less than \$900 a year, a farmer may elect to report half of his gross income as net earnings for the purpose of calculating his self-employment income, up to a maximum of \$900. At the present time about 3 million farm operators would pay taxes on net incomes of \$400 or more from farming, as calculated by one or the other of the above methods. Farm operators now aged 64 or over could qualify for retirement benefits through taxable earnings for only 2 years. In general, workers must earn coverage for the equivalent of at least half the time after 1950 and before they are 65 in order to become entitled to retirement benefits. Credits can be earned after 65 as well as before. Some farmers have already qualified through other employment that was covered by OASI.

### Premium Tax

The present tax contribution to OASI on self-employed workers is  $2\frac{1}{4}$  percent. This rate is scheduled to be increased to 3 percent in 1954, to  $3\frac{3}{4}$  percent in 1960, to  $4\frac{1}{2}$  percent in 1965, and to  $4\frac{7}{8}$  percent in 1970. The amount of the self-employment tax contribution to OASI would be based on the net earnings from farming as reported on schedule C of the Federal Income Tax Report (Form 1040). Attached to schedule C is a Report of Self-Employment Income (schedule Ca) which is used in reporting the OASI tax contribution. At 3 percent, the premium tax payable would vary from \$12 on the minimum annual earnings of \$400 to \$108 on the maximum taxable earnings of \$3,600 a year.

### Retirement Test

The OASI program is operated on the assumption that the covered worker will pay the premium tax when he is employed and then draw benefits, as a partial substitute for earned income, when he is unable to earn a living. Self-employed workers are considered to be retired when they are 65 years old and earn less than \$900 a year; if their annual net earnings are between \$900 and \$1,725, they will receive at least some of their monthly payments. The exact number will depend on the amount of their earnings and on the number of months in which they did a substantial amount of work in covered self-employment. If their annual earnings exceed \$1,725, their benefits will be withheld for all months in which they did substantial work. After age 75, benefits are payable regardless of earnings. Annuities from insurance or a return on capital in the form of rent, interest, or dividends is not considered to be earned income. A farmer whose work is of such nature that he has little or nothing to do with the running of the farm would not be considered to be rendering substantial service to his business, and thus would not lose any benefits. A farmer who is in partnership with his son could qualify for benefits if he left the management and operation of the farm to his son.

### OASI Benefit Payments

The size of OASI benefit payments is based on the individual's average earnings under the programs during a specified period. For a newly covered worker under the present Social Security Act, this "average monthly wage" may be based on his total taxable earnings after December 31, 1950, and up to the time he retires at or after age 65, or up to the time he dies.

If no change were made in the method of figuring the "average monthly wage," farmers and other persons brought under coverage by H.R. 6812 would have their benefits reduced by having to count years of no covered earnings in the average. However, the bill provides that up to 3 years in which earnings were lowest or nonexistent may be

excluded in making this computation. If the bill becomes effective in January 1955, rather than January 1954, the provision would probably be changed to permit the exclusion of 4 years rather than 3. Most farmers could then exclude 1951-54, when they were not covered by the law and had no covered earnings credited to their accounts.

The amount payable to the insured worker on retirement is called the "primary insurance amount," or PIA. The proposed bill continues the present method of calculating this at 55 percent of the first \$100 of the average monthly wage, and 15 percent of the remainder. The maximum PIA is \$85 a month. The present law also provides that the minimum PIA shall be not less than \$25 a month. Benefits equal to half the PIA are payable to the wife, aged 65 or over, of an old-age insurance beneficiary, or to a wife of any age when she has in her care a child under 18 of the retired insured worker. Benefits of half the PIA are also provided for the child under 18 of the old-age insurance beneficiary. If the insured worker should die, the benefit payment would be three-fourths of the PIA for the surviving widow under 65 as long as any child is under 18, half of the PIA for each child under 18, and an additional fourth of the PIA for equal division among all the children. However, the total family benefit paid on the wage record of one individual may not exceed 80 percent of the average monthly wage, or \$168.75, whichever is less, except that the limitation to 80 percent of the average monthly wage would not reduce family payments below \$45 per month. As each child reaches 18, his benefits would cease, and after all of the children have reached 18, benefits to the widow would cease. However, if the widow does not remarry, she will again receive at age 65 a monthly payment of three-fourths of the PIA. An additional single payment of up to three times the PIA can also be made for burial expenses of the insured worker.

#### How OASI Might Operate for Farmers

The following examples illustrate the proposed operation of OASI for farmers. Suppose that the law is amended to become effective on January 1, 1954, and for that year a farmer reports net income from farming (before personal exemptions) of \$5,000. He would pay a premium of 3 percent on \$3,600, the maximum taxable income. Suppose that during the next year, because of poor crops, he has no net income but has gross sales of \$1,440. He elects to use half of this, or \$720, as his social security income and pays a premium tax of \$21.60. In the event of his immediate death or retirement, the average monthly wage is computed to be \$180 (or \$3,600 plus \$720, divided by 24). The primary insurance amount would be \$67 (or 55 percent of the first \$100, plus 15 percent of the remaining \$80 of the average monthly wage).

Suppose the farmer has passed his sixty-fifth birthday and decides to retire. The PIA of \$67 a month would be payable to him as long as he lives and does not earn more than \$900 a year. His wife will also receive a monthly payment of \$33.50 after she is 65 years old. If he should die, the payment to his wife would be increased to three-fourths of his primary insurance amount, or \$50.25 a month for as long as she lives.



Assuming the same coverage and average monthly wage described above, suppose that another farmer should die and leave a widow and three small children. A single payment of \$201 could be made for funeral expenses. The widow would be entitled to three-fourths of the PIA, and each child would be entitled to half of the PIA plus his proportionate share of a fourth of the PIA, or a total of \$167.50 a month. However, in this case the monthly payment would be limited to \$144 - 80 percent of the average monthly wage. As each child reached its eighteenth birthday the family benefit would be reduced - to \$134 when there were only two children under 18, to \$100.50 when there was only one child, and to nothing after the youngest child became 18. But when the widow reached 65 she would again be entitled to \$50.25 a month, as in the first case. If the widow should marry again at any age she would lose her benefit rights, but payments for the children would not be affected.

#### Hired Farm Workers

About 700,000 farm workers now earn one or more quarters of coverage each year because they work regularly on a full-time basis for one employer for at least two consecutive quarters. H.R. 6812 would extend OASI coverage to all hired farm workers, and also domestic workers, who receive \$50 or more in cash wages from one employer in a calendar quarter. The employing farmer would deduct 2 percent from their wages, add an equal amount himself, and send the sum quarterly to the Director of Internal Revenue. It has been estimated that in addition 2.6 million seasonal farm workers would be covered by the proposed law. Probably some of them are already qualified by other types of work in covered employment at other times of the year. The proposed law would also extend coverage to workers hired for cotton ginning and the production of gum naval stores. These extensions of coverage would add to the number of farm operators who could qualify for OASI benefits as more of those whose net income from farming is less than \$400 a year would have opportunities to earn the required quarters of coverage in other employment.

#### Farm Operators are Older

The extension of OASI would be especially advantageous to farmers now because of the large number of farm operators who are at or near retirement age (table 1). From 1910 to 1950 the number of farm operators less than 35 years old decreased by more than 800,000, and the number aged 35 to 54 decreased by a half million. During this period the number aged 55 to 64 increased by 100,000, and those over 65 increased by nearly a quarter million. Obviously, many of the farm operators who died or retired from farming during this period were not replaced by young farmers. It seems reasonable to assume that this situation will continue for some time to come because many of the older farm operators are now on low-income farms which do not offer attractive opportunities for younger men (table 2).

Table 1.- Number of farm operators and percentage distribution by age, United States, 1910-50

Year	Number of farm operators	Percentage distribution by age <sup>1/</sup>				
		Total	Under	35 to 54	55 to 64	65 years
			35 years	years	years	and over
	Thousands	Percent	Percent	Percent	Percent	Percent
1910-----	6,362	100.0	28.9	47.4	14.9	8.7
1920-----	6,448	100.0	27.0	48.2	15.6	9.2
1930-----	6,289	100.0	23.4	47.9	17.5	11.1
1940-----	6,097	100.0	20.3	45.9	19.6	14.2
1950-----	5,379	100.0	18.9	46.5	19.8	14.8

<sup>1/</sup> Calculated from farm operators reporting age. U. S. Census of Agriculture.

About 3 million commercial farm operators who reported sales of \$1,200 or more in 1949, probably could qualify for OASI under the proposed amendments. Some are already covered by OASI through off-farm employment, as are many of the part-time operators of farms. Nearly half of all farm operators 65 or older in 1950 were either on class VI farms, with sales of farm products worth from \$250 to \$1,199 and with less than 100 days of work off the farm, or on residential farms, with sales of less than \$250. Some of these operators could qualify for OASI under the proposed law, and some are already covered.

Table 2.- Number of farms, value of products sold, and percentage distribution by age of operator, by class of farm, United States, 1950

Class of farm	Value of products sold	Number of farms	Percentage distribution by age of operator <sup>1/</sup>			
			Total	Under	35 to 54	55 years
				35 years	years	and over
	Dollars	Thousands	Percent	Percent	Percent	Percent
All classes		5,379	100.0	18.9	46.5	34.6
I to III-----	5,000 and over.	1,205	100.0	21.2	53.1	25.7
IV and V-----	1,200 to 4,999.	1,784	100.0	20.4	47.1	32.5
Part time-----	250 to 1,199.	639	100.0	19.5	48.0	32.5
All other <sup>2/</sup> -----	Under 1,200.	1,751	100.0	15.6	40.6	43.8

<sup>1/</sup> Calculated from farm operators reporting age.

<sup>2/</sup> Includes class VI, residential, and abnormal. U. S. Census of Agriculture.

Those older operators on low-income farms who could qualify for OASI would have an advantage over both younger operators and most of the workers now covered by the program. First, all low-income workers are favored by the provision that the PIA be computed at 55 percent of the first \$100 of the average monthly wage, compared with 15 percent of the remainder, and also because the PIA cannot be less than \$25 a month. Second, older workers would need to make fewer premium tax payments before they could retire and draw benefits. However, if extension of coverage is delayed for several years, many of these operators will become too old to work and earn the minimum quarters of coverage.

For many owners of the more productive farms, OASI benefits would be only a supplement to other reserves accumulated for retirement. But the assurance of this monthly income would reduce the risk that long life, unusual expenses, or a drop in the earnings or value of their other property might exhaust their savings. And turning over the responsibility for operating the farm or transferring title to heirs would be easier if the farm were not the only financial protection against the hazards of old age.

Younger farm operators would be relieved of part or all of the cost of supporting parents who are entitled to OASI benefits. And, as previously described, in case of their untimely death, their dependents would gain much needed protection at a lower cost than would be required for an equivalent amount of monthly income from life insurance.

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#### Trends in Causes of Farm Fire Losses, New York State, 1941-50.-

A recent study based on reports made by 52 farmers' mutual fire insurance companies in New York State indicates that claims paid as a result of farm fires traceable to open fireplaces, chimneys, and the spread of fires from other places, have decreased since 1941.<sup>1/</sup> But claims paid as a result of losses from fires attributable to tractors, automobiles and motortrucks, spontaneous ignition, and faulty wiring, have increased. The greatest increase came from arson. Increases occurred in 16 of the 22 listed causes of fire loss, whereas there were decreases for the other 6 causes.

In the report, indexes of amounts paid as a result of each cause of fire loss are shown by years (1941-50 = 100). These trends in fire losses are based on comparisons between the average of these indexes for 1941-43 with those for 1948-50.

<sup>1/</sup> Ferris, John. Causes of Farm Fires in New York State. N. Y. (Cornell) Agr. Expt. Sta., Dept. Agr. Econ., AE 839, 1952, p. 8.



## RATIOS OF ASSESSED VALUE TO FULL VALUE OF FARM PROPERTY

Ronald Bird

The general property tax is one of the major taxes levied upon farmers. Much of the revenue derived from this tax is spent in the locality in which it is collected. Therefore, rural expenditures for schools, roads, police protection, and various other local governmental functions are closely related to the amount that farmers and other rural residents are willing to pay in property taxes.

A major problem of local taxing authorities is keeping assessments in line with changes in actual value. Two difficulties in particular arise: One is the determination of the value of the property and the other is the adjustment of assessments to these values. By failing to solve these problems, many local governments have been deprived of an adequate tax base and have further increased inequities in the assessment of property.

A study of the relation between the assessed value of farm properties and the census values of these properties indicates that census values can be used to keep the general level of assessment of farm properties in line with changes in actual value. In this way inequities of assessment of the different classes of farm properties in the various States can be reduced. This discussion is intended to illustrate how census data can be used for these purposes.

That assessments have failed to keep pace with values can be explained partly by the difficulty of measuring the value of property. Laws established to assist assessors in measuring values are vague. For example, general terms such as "full value," "cash value," and "market value" are used.

The courts have attempted to clarify the matter in various ways, such as stating that value means the reproduction costs of the property, or that it means the amount the property will sell for at a voluntary sale made in the ordinary course of business. But these definitions are meaningless unless factors of time and place are considered. The market value of property is its value established at the moment of sale. Variations from this amount can be expected at any other time. Economic changes over time are also paramount in determining costs of reproduction. To further complicate the problem, certain classes of property may have so few sales as to make it impossible to determine market value, and the reproductive costs of some properties cannot be ascertained.

Major advantages in using census data are that they are based on farmers' estimates of the values of farm properties and they are representative of all farm property. However, census data are limited in that they can be used only for group analysis, because legal requirements prevent their use in a way that would identify the individuals who

reported. Group analysis, however, can establish the average ratio of assessed to census value. This ratio may be defined as the level of assessment.

### Farm Real Estate

To obtain the ratio of assessed value to census value of farm real estate, it might be assumed that a direct comparison of the two values could be used. But because of the various ways in which the assessed values of properties are listed in different States, the assessed value of farm real estate frequently cannot be determined. Also, in States in which assessed values of farm real estate are reported, assessors' definitions of farm property may differ from the census definition. Therefore, it is frequently necessary, and usually preferable, to determine the level of assessment (ratio of assessed value to census value) of farm real estate by dividing the tax rate per \$100 of value derived from the census by the tax per \$100 of assessed value found in or derived from State reports.<sup>1/</sup>

Taxes levied per \$100 of full value of real estate in each State have been published annually by the Bureau of Agricultural Economics. These estimates are based on census data for census years and on a nationwide sample of farms for intercensal years. Adjustments are made for intercensal years after new census data become available. Therefore, these data can be used annually in combination with other data to determine the level of assessment on real estate.

The average tax rate per \$100 of assessed value of farm real estate can be obtained from most State reports, although for some States this rate must be estimated. In the latter States, to derive an average rural tax rate, total property taxes levied by counties, townships, road and school districts, and other local (except city) governments can be divided by the assessed value of all property. In States in which a few urban counties represent a large part of the total assessed value, taxes and assessed values in these counties can be eliminated from State totals before rates are calculated. This procedure reduces the influence of urban assessments.

In some States a further adjustment must be made for the influence of homestead-exempt properties. In these States adjustment in the tax rate can be made according to the following formula:

<sup>1/</sup> The tax rate per dollar of census value consists of a fraction; that is, (1) aggregate taxes collected, divided by (2) aggregate census values of properties. Likewise, the tax rate per dollar of assessed value consists of (1) divided by (3), the aggregate assessed valuation of properties. Therefore

$$\left[ (1) \div (2) \right] \quad \left[ (1) \div (3) \right]$$

reduces to the ratio of (3) to (2).

$$R \times \frac{A}{A + H}$$

R = tax rate on taxable farm property.

A = assessed value of taxable farm property.

H = assessed value of homestead-exempt farm property.

Several States do not report the assessed value of either taxable farm property or homestead-exempt farm property. However, the assessed value of all taxable real estate and of all homestead-exempt properties (farm and nonfarm) is reported. In these States, such values can be used in the above formula for (A and H).

After the adjusted rates have been determined, the level of assessment of farm real estate can be derived by dividing the tax rate per \$100 of census value of farm real estate by the tax rate per \$100 of assessed value derived from State data.

These computations for each State for 1940, 1945, and 1950 are presented in table 1. The main purpose in presenting the data is to show the changing levels of assessment between periods for individual States rather than to compare levels of assessments between States. One State may assess at a low level and have an extremely high tax rate, whereas another may do the reverse. The main problem that arises from fractional assessments concerns the limitation placed on the tax base. A narrow tax base often is accompanied by a high nominal rate of tax. High rates, in turn, tend to discourage new industry. Promoters of a new industry may be apprehensive in regard to the treatment they will receive when the law specifically states that assessments must be a specified percentage of full value even though this level of assessment, in practice, is seldom attained.

#### Ratios of Assessment to Census Values, by States, 1940, 1945, and 1950

In 1940, the average ratio of assessed values to census values varied from 15 percent in Florida to 112 percent in South Dakota. Ratios in 10 States ranged from 20 to 39 percent and in 17 States from 40 to 59 percent. Ten States assessed at ratios of 60 to 79 percent and 9 States at ratios from 80 to 100 percent. In general, States in the New England, Middle Atlantic, and North Central regions assessed at higher ratios than those in the South and West.

In all States except Florida the level of assessment was considerably lower in 1945 than in 1940. This was due primarily to the rapid rise in farm real estate values from their depressed levels in 1940. Assessed values were not increased to keep pace with the increases in real estate values. In 1945, in 7 States the average ratio was less than 20 percent of census values. Nineteen States assessed at ratios of 20 to 39 percent, and 20 others at 40 to 60 percent. Only in Delaware and Maryland were the ratios above 60 percent.

Table 1.- Ratio of assessed value to full value of farm real estate,  
by States, 1940, 1945, and 1950 <sup>1/</sup>

State and division	Ratio of assessed to full value			State and division	Ratio of assessed to full value		
	1940	1945	1950		1940	1945	1950
<b>New England:</b>				<b>East South Central:</b>			
Maine-----	47	32	29	Kentucky-----	45	39	35
New Hampshire-----	76	48	45	Tennessee-----	52	35	25
Vermont-----	51	40	30	Alabama-----	45	32	24
Massachusetts-----	84	55	39	Mississippi-----	59	44	37
Rhode Island-----	73	57	45				
Connecticut-----	65	51	49	<b>West South Central:</b>			
				Arkansas-----	33	19	10
<b>Middle Atlantic:</b>				Louisiana-----	71	34	29
New York-----	73	53	47	Oklahoma-----	34	22	18
New Jersey-----	42	28	21	Texas-----	30	17	18
Pennsylvania-----	68	46	34				
				<b>Mountain:</b>			
<b>East North Central:</b>				Montana-----	77	46	47
Ohio-----	52	42	38	Idaho-----	38	20	19
Indiana-----	58	36	33	Wyoming-----	54	29	29
Illinois-----	36	24	64	Colorado-----	50	27	23
Michigan-----	60	45	47	New Mexico-----	47	16	17
Wisconsin-----	89	54	78	Arizona-----	55	14	17
				Utah-----	50	24	24
<b>West North Central:</b>				Nevada-----	53	28	26
Minnesota-----	82	57	50				
Iowa-----	63	38	34	<b>Pacific:</b>			
Missouri-----	59	40	30	Washington-----	30	17	18
North Dakota-----	91	42	40	Oregon-----	39	19	22
South Dakota-----	112	56	44	California-----	40	20	25
Nebraska-----	87	48	35				
Kansas-----	81	41	37				
<b>South Atlantic:</b>							
Delaware-----	89	84	58				
Maryland-----	92	68	60				
Virginia-----	35	23	21				
West Virginia-----	70	50	38				
North Carolina-----	87	59	44				
South Carolina-----	21	13	9				
Georgia-----	28	20	25				
Florida-----	15	29	39				

<sup>1/</sup> Ratios computed after inclusion of value of homestead-exempt property in applicable States. Census values are used to reflect full value.

In general, the ratios of assessed values to census values were lower in 1950 than in 1945, although in 13 States they were higher. These estimates indicate that in 1950 farm real estate was assessed at less than 20 percent of the census value in 8 States. In 25 others, the ratios were less than 40 percent. Thirteen States assessed farm real estate from 40 to 60 percent of census values, and only in Wisconsin and Illinois were the assessments greater than 60 percent. In the latter 2 States local assessments in 1950 were drastically revised by their State boards of equalization - from a ratio of 17 to 64 percent of census value in Illinois, and from 49 to 78 percent in Wisconsin.

#### Analysis of County Tax Data

Equality of assessments among counties is often as important to individual farmers as equality of assessment among taxpayers in the same county. This is especially true if the central government levies a property tax; if certain classes of property such as public utilities are assessed by the State; or if funds are allocated to the various counties on the basis of total assessed value. State boards of equalization generally are designated to make these adjustments among counties.

State boards of equalization have found that determining the level of assessment in the various counties is a major problem. Census data may be helpful in this. The 1940 census provided county estimates of the taxes levied per \$100 of real estate value on farms operated by full owners not renting to others. In most States for that year, the average tax rate per \$100 of assessed value of farm real estate in each county can be derived from State reports by procedures similar to those used in analyzing State data. Therefore, the level of assessment in each county can be obtained in the same way as that used in the analysis of State data.

The 1950 census did not provide county estimates of taxes levied on farmers. However, estimates of the ratios for 1950 can be made by using census and other data as follows: The values per acre of farm real estate in each county in 1940 and 1950 are shown in census data. The percentage change in these values can be computed easily. Also, for States that report the assessed values of farm real estate, values per acre usually can be obtained from State reports for each county for 1940 and 1950. Using these data, it is possible to compute the percentage change in the assessed value of farm real estate. To obtain county ratios of assessed values to census values of farm property in 1950, the 1940 ratio is multiplied by 100 plus the relative change in the assessed value of farm real estate, as indicated by State reports for 1940 to 1950. The result is divided by 100 plus the relative change in the census value per acre of farm real estate from 1940 to 1950.

This procedure was followed in analyzing county data for South Carolina, West Virginia, and Wisconsin. These States were selected because they had, respectively, the lower, medium, and higher levels of assessment.



In 1940 and 1950, the levels of assessment among the counties in each of these States showed extreme variations. The coefficient of variation can be used to indicate the degree of variability of county ratios from the mean of all counties. The higher the coefficient of variation, the greater is the variability of the levels of assessment among the counties. In South Carolina the coefficient of variation of county ratios was 28.5 percent in 1940, and 29.0 percent in 1950. In West Virginia, the corresponding figure was 26.4 percent in 1940, and 30.2 percent in 1950, and in Wisconsin 20.3 percent in 1940 and 24.3 percent in 1950.<sup>2/</sup> As the level of assessments was lower in each of these States in 1950 than in 1940, inequalities in assessments may have increased as assessed values lagged behind the rise in actual values.

### Personal Property

Equality of assessments between classes of property may be as important as that within classes. One type of property may be assessed so inequitably that a large part of it may become tax delinquent. To guard against this possibility, most States have provided for equality of assessments between, as well as within, classes of property.

Assessment of personal property has been particularly difficult. Personal property would appear to be more easily assessed than real estate, because it has a more active market. Actually, however, the multitude of items and classes of property, each with a different value, has made the problem especially difficult. Locating the personal property is an even more perplexing problem. To reduce inequity in assessments, most States have partly or completely exempted from the property tax all classes of personal property owned by farmers except livestock, farm machinery, automobiles, and motortrucks. These classes of property are not easy to conceal and they are relatively homogeneous in nature.

### Method of Analysis

Census data can be used to aid assessors and equalization boards in deciding upon the relative equality of assessments among these three classes of property. A comparison of the ratios of assessed values to census values for these classes will reflect inequalities in assessments between the classes. A similar comparison may be drawn with those ratios obtained from real estate. A procedure that may be followed in establishing the level of assessment on personal property is outlined below.

Census data for 1940 and 1945 indicate estimates by farm operators of the value of farm implements and machinery. In 1940, automobiles and motortrucks were included in these estimates, but in 1945 only motortrucks

<sup>2/</sup> County ratios were computed for Wisconsin before State equalization because data were not available on assessed values of farm real estate after equalization.

were included. Values of automobiles and motortrucks on farms for these years are estimates of the Bureau of Agricultural Economics. Estimates of values of farm machinery, automobiles, and motortrucks for 1950 were not obtained by the Bureau of the Census but were estimated by the Bureau of Agricultural Economics.

The inventory value of livestock as reported in census data for 1940 and 1945 was obtained by multiplying the inventory number of each class of livestock for a county by a county-unit price. The latter was obtained cooperatively by the Department of Agriculture and the Bureau of the Census. The value of livestock on farms in 1950 was estimated similarly by the Bureau of Agricultural Economics.

One may assume that the values of these three classes of farm personalty derived from census data approximate the market value of these classes. If the assessed values of these various classes of farm personal property can be obtained from State data, the ratio of assessment to market value can be determined.

In analyzing State data for 1940, 1945, and 1950, certain assumptions were made in allocating assessed values to the farm. Farm machinery and livestock that were assessed in the various States were assumed to be owned or used on farms. The total assessed value of automobiles and motortrucks was prorated to farmers on the basis of the ratio of number of motortrucks and automobiles reported on farms by census to the total number registered in the State.<sup>3/</sup>

Appropriate adjustments were made for differences between assessed values per automobile and motortruck in rural and in urban counties. However, the reliability of the estimates of assessed values of automobiles and motortrucks that were allocated to farmers, varies from State to State. The data are least reliable where the number of automobiles and motortrucks on farms represents a small percentage of the total in the State.

One difficulty in using the method suggested is the way in which properties are listed in the States. Some States list livestock and farm machinery under a single assessment class; consequently, only a combined ratio for the two classes could be obtained. Other States list only aggregate assessments of personal property. To obtain a ratio of assessed to total value of farm personalty in these States, the laws in each State were studied to determine the classes of farm personalty that are assessable. The assessed value of all personalty in the most rural counties was then compared with the census values of the classes of personalty that are assessable. A ratio was established in these rural counties on the basis of these values and assessments. This ratio was assumed to be representative of the level of assessment on all classes of farm personalty in the State.

<sup>3/</sup> Certain urban counties were excluded from the computations if a significant difference appeared between the number of automobiles and motortrucks assessed and the number registered.

Table 2.- Ratio of assessed value to full value of classes of farm property, by States, 1940, 1945, and 1950 1/

State and division	1940				1945				1950			
	Real estate	Personal property			Real estate	Personal property			Real estate	Personal property		
		Live-stock	Farm machinery	Automobiles and motor-trucks		Live-stock	Farm machinery	Automobiles and motor-trucks		Live-stock	Farm machinery	Automobiles and motor-trucks
New England:												
Maine-----	47	2/ 42			32	2/ 33			29	2/ 25		
New Hampshire-----	76	2/ 58			48	2/ 52			45	2/ 43		
Vermont-----	51	2/ 34	2/ 3/		40	2/ 25	2/ 3/		30	2/ 21	2/ 3/	
Massachusetts-----	84				55				39			
Rhode Island-----	73	3/ 60	3/ 22	3/ 79	57	3/ 42	3/ 10	3/ 122	45	3/ 21	3/ 13	3/ 109
Connecticut-----	65	2/ 41	2/ 22		51	2/ 27	2/ 10		49	2/ 24	2/ 13	
Middle Atlantic:												
New York-----	73				53				47			
New Jersey-----	42	3/ 19	3/		28	3/ 11	3/		21	3/ 7	3/	
Pennsylvania-----	68				46				34			
East North Central:												
Ohio-----	52	2/ 33	2/ 3/		42	2/ 38	2/ 3/		38	2/ 42	2/ 3/	
Indiana-----	58	51	54	60	36	59	26	66	33	45	33	72
Illinois-----	36	22	37	19	24	20	23	28	4/ 17	4/ 14	4/ 17	4/ 27
Michigan-----	60				45				47			
Wisconsin-----	89	47			54	62			78	60		
West North Central:												
Minnesota-----	82	55	49		57	53	39		50	39	34	
Iowa-----	63	27	2/ 16		38	19	2/ 13		34	20	2/ 16	
Missouri-----	59	30	25	52	40	31	16	44	30	24	11	73
North Dakota-----	91	30	36		42	28	25		40	19	17	
South Dakota-----	112	45	42		56	46	30		44	35	29	
Nebraska-----	87	49	49	55	48	52	39	54	35	39	35	86
Kansas-----	81	58	60	52	41	61	47	58	37	43	32	76
South Atlantic:												
Delaware-----	89				84				58			
Maryland-----	92	66		73	68	40		63	60	58		
Virginia-----	35	3/ 61	3/	3/ 68	23	3/ 50	3/	3/ 58	21	3/ 44	2/ 20	3/ 74
West Virginia-----	70	52	31		50	53	32		38	40		
North Carolina-----	87	2/ 37	2/ 3/	72	59	2/ 46	2/ 3/	85	44	2/ 30	2/ 3/	96
South Carolina-----	21	14	17	29	13	10	7	32	9	8	4	37
Georgia-----	28	21	34	46	20	16	16	34	25	12	9	73
Florida-----	15	3/ 34	3/		29	3/ 72	3/		39	3/ 33	3/	
East South Central:												
Kentucky-----	45	22	5/	49	39	34	2/	43	35	32	2/	98
Tennessee-----	52				35				25			
Alabama-----	45	2/ 9	2/ 13	36	32	2/ 6	2/ 4	30	24	2/ 3/ 6	2/ 3/	42
Mississippi-----	59			43	44			31	37			65
West South Central:												
Arkansas-----	33	19	1	20	19	17	1	17	10	11	4	23
Louisiana-----	71				34				29			
Oklahoma-----	34	30	15		22	31	29		18	21	25	
Texas-----	30	25	2/	25	17	21	2/	23	18	13	5/	21
Mountain:												
Montana-----	77	47	42	75	46	51	41	66	47	37	34	124
Idaho-----	38	25	2/ 12		20	20	2/ 15		19	16	2/ 12	
Wyoming-----	54	33	38		29	28	33		29	24	21	
Colorado-----	50	39	51		27	43	34		23	23	23	
New Mexico-----	47	28	24		16	21	16		17	12	11	
Arizona-----	55	21	38		14	20	40		17	12	29	
Utah-----	50	24	48	42	24	24	25	48	24	13	15	53
Nevada-----	53	33	5/	57	28	22	5/	106	26	17	5/	55
Pacific:												
Washington-----	30	20	22	7	17	23	19		18	19	19	
Oregon-----	39	29	25		19	31	25		22	25	21	
California-----	40	3/ 33	3/	3/	20	3/ 38	3/	3/	25	3/ 28	3/	3/

1/ Ratios derived from assessment data listed in State reports and value data estimated by the Bureau of Agricultural Economics from census data. Where no ratios are shown, the class of property is completely or almost completely exempt from property taxation.

2/ Only taxable values are used in computation because exempt values are not given in State reports. Ratios shown are lower than they would have been if total assessed values could have been used.

3/ Assessments of various classes are not given separately in State reports. Estimated ratios are combined for classes indicated.

4/ Ratios are based on locally assessed valuations before State equalization because assessed values by classes could not be determined after equalization.

5/ No separate assessments are given for this class in State reports.



A second problem, which is even more serious, is the way in which exemptions distort estimates for a given class of property. In some States, assessors do not list the value of properties that are exempt. For example, if \$200 worth of farm machinery for each farmer is exempt by law, an assessor often lists only the value that he considers taxable. Therefore, ratios estimated on these properties were based on taxable values.

### Conclusions

The ratios of assessed value to census value of the various classes of farm property assessed in each State for 1940, 1945, and 1950 are shown in table 2. Even though the levels of assessment of the different classes of property indicated for each State may vary in their reliability, a comparison of the ratios for 1940, 1945, and 1950 may prove useful. Because the same procedure was followed in analyzing the data for each of the 3 years, the results obtained should be comparable.

In most States in 1940 farm personalty was assessed at a lower ratio than farm real estate. But within the category of personal property, farm automobiles, motortrucks, and livestock were assessed at higher ratios than farm machinery.

In 1950, certain pronounced disparities in the assessment of various classes of farm property are evident. In those States that assess automobiles and motortrucks, this class appears to have been overassessed in relation to other classes of property. This may be due partly to the assessors' use of "blue book" values in assessing automobiles and motortrucks, whereas for other classes, fractional parts of market values have been used. In general, livestock and farm machinery assessments have increased more rapidly than real estate, resulting in greater equality between these classes and real estate than existed in 1940.

Fractional assessment and the failure of assessments to keep abreast of real values have narrowed the tax base. They have also restricted the bonding capacities of various taxing districts. As a result of this action, many districts have had to turn to the State or Federal Government for aid in providing the services which they were previously able to finance from the property tax.

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Property Tax Changes.— Farmers in several States are affected by changes in property tax laws enacted during the 1953 legislative sessions. Three States - Kansas, Maryland, and Oregon - lowered property tax rates, and Nebraska changed the basis of assessment from actual value to 50 percent of actual value. Minnesota, Montana, Nebraska, Nevada, and Maine levied new or additional taxes on property.

## PROPERTY TAX PROBLEMS IN THE SOUTHEAST

Calvin C. Taylor

Literature concerning taxation is full of references to difficulties associated with general property taxation. Despite obvious disadvantages, however, the property tax continues in almost universal use throughout the United States. In most States it is the major source of revenue for local governments. In view of the increasing responsibilities of these local governments, coupled with limited alternate sources of revenue, it appears urgent that the search for methods and techniques for improving this type of taxation be continued.

This report briefly summarizes the major problems of property tax administration in one area - the Southeast. It is not intended as a comprehensive analysis of property taxation even in this area, and the findings may not apply to other areas.<sup>1/</sup>

Nature of the Area

The seven Southeastern States are comparable in many respects. They are largely rural States. With the exception of Florida, more than three-fifths of the land in each State is in farms and more than half the population is rural. North Carolina leads in population with a total of more than 4 million people. South Carolina, with slightly more than 2 million, has the smallest population and also the smallest area of any State in the region.

The Southeastern States have many governmental subdivisions. These include 634 counties, of which Georgia has the largest number (159), and South Carolina the smallest (46). These 7 States contain 2,169 municipalities, 662 special districts, and 1,961 school districts.<sup>2/</sup>

This multiplicity of governmental units presents the problem of overlapping tax districts and related administrative functions, and it contributes to the complexity of property tax administration especially in the field of assessment procedures.

<sup>1/</sup> In this report, the Southeast includes Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, and Virginia. A much longer report giving additional details to support the general conclusions outlined here, and containing recommendations for improving the property tax in the Southeastern States, is being prepared in cooperation with the Southeast Regional Land Tenure Committee.

<sup>2/</sup> Data are for 1951. From Governments in the United States in 1951, U.S. Bureau of the Census, 1952.

### Property Tax Exemptions

Progressively expanding exemptions have removed a great deal of property from the tax base and have created confusion in the administrative structure.

Four States have no exemptions of homesteads, but three have provisions that vary widely.<sup>3/</sup> In Alabama, homesteads are exempt up to \$2,000 of assessed value and up to 160 acres of land. This exemption, however, is applicable only to the 6.5-mill State levy. The maximum exemption of homesteads in Florida is \$5,000 and is limited to 160 acres of farmland or one-half acre of land in incorporated cities. Homesteads are exempt from all levies except those for "special benefits." In Georgia, homesteads are exempt up to \$2,000 of assessed value. The exemption is applicable to levies for State, county, and school taxes, except those levied to pay interest and principal on bonded indebtedness.

Probably the greatest significance of homestead exemptions is the extent to which they reduce the property tax base. In 1951, the assessed value of homestead-exempt properties in Alabama was \$365,579,190. This amounted to more than a fifth of the assessed value of all property. The \$5,000 exemption in Florida removed from the tax base property assessed for a value of \$1,348,031,989, which was almost a third of the assessed value of all property in the State. Homestead exemptions in Georgia amounted to an assessed value of \$460,811,928, or more than a fifth of the assessed value of taxable property. It is evident, therefore, that these exemptions materially reduce the property tax base in each of these States. In the absence of any substitute sources of revenue, it is reasonable to assume that the remaining taxable property bears a correspondingly higher tax load.

Most Southeastern States have liberal personal property exemptions. The limits of these exemptions, however, are frequently stretched so as to exempt virtually all property in the specified classification - thus shielding from taxation property which by law is taxable.

Irrespective of justification for such exemptions, they have the major effect of substantially reducing the property tax base and adding to the difficulties of equitable and efficient administration.

### Inequitable Assessments

Current and past research has consistently demonstrated widespread inequalities in assessments for property tax purposes in the Southeast. Levels of assessment in relation to current values vary widely among classes of property, tax districts, and individual properties. Properties having high total values tend to be underassessed in relation to properties of smaller total value. Low-quality rural lands tend to be assessed at a higher ratio of actual value than land of better quality. Also, absentee owners tend to be assessed higher than resident owners.

<sup>3/</sup> North Carolina, South Carolina, Tennessee, and Virginia have no provisions for general exemption of homesteads.

Assessment-sales ratio studies recently completed in South Carolina reveal current assessments within the same taxing jurisdiction which vary from less than 2 percent to more than 300 percent of sale values.<sup>4/</sup> Average assessment rates for counties, townships, and classes of property also vary widely.

A study of some 50,000 sales of real estate in Virginia during 1950 revealed average county assessment-sales ratios that varied from 6.1 percent to 51.7 percent. The weighted average ratio for counties was 22.0 percent, whereas for independent cities, the weighted average was 42.8 percent. All assessments averaged only 30.0 percent of sale value.<sup>5/</sup>

A comprehensive survey of the revenue system of Alabama revealed similar inequalities in the assessment of property for tax purposes.<sup>6/</sup> Inequalities were evident between classes of property, tax districts, and individual properties of the same class and in the same district.

Similar inequalities in the assessment of property are common in each of the seven Southeastern States. Inequitable assessments result directly in inequitable distribution of the tax burden. This is especially true with regard to individual properties of the same class located in the same district or in different districts subject to uniform tax rates. Inequitable assessment of individual properties is apparently the most common, most significant, and by far the most demoralizing of all problems of property tax administration. Property owners are much more concerned about uniformity of their assessments with those of their neighbors, competitors, and owners of adjacent property than they are about equitable assessments in relation to residents of distant communities or owners of different types of property. It is in this area of property tax administration that improvement appears to be most urgent.

#### Major Deficiencies of the Administrative System

In the Southeast, the system of administering the property tax is apparently more susceptible to criticism than is the action of individuals within the system. In fact, it is surprising that those charged with administering the property tax attain the degree of efficiency that they do, under such adverse conditions.

Broad generalizations applicable to the seven States have serious limitations. Methods and procedures vary widely from State to State and even within States. However, the various systems have basic common weaknesses - inadequate facilities, insufficient standards, and a lack of trained, qualified assessors.

<sup>4/</sup> From data to be published by the Department of Agricultural Economics, South Carolina Agricultural Experiment Station, in cooperation with the Agricultural Research Service, U. S. Department of Agriculture.

<sup>5/</sup> Compiled by the Virginia State Department of Taxation.

<sup>6/</sup> The Alabama Revenue System, Report of the Revenue Survey Committee, An Interim Committee of the 1945 Legislature, Montgomery, Ala., January 1947, Ch. VII.

### Inadequate Facilities

Most of the difficulties associated with administration of the property tax are directly related to or have their origin in inaccurate listing and inequitable evaluation of the taxable property.

Property is assessed either centrally or locally. Public utility and railroad properties commonly are assessed at the State level. Intangibles, when assessable, usually are valued by the State. All other property, real and personal, is commonly assessed locally.

The quality of local assessment is generally poor, although it varies by areas. Most local assessors have poorly equipped offices and minimum clerical assistance; this results in antiquated office procedures that virtually preclude effective administration. In many areas, especially rural areas, maps and plats are poor or nonexistent. Much real estate is inadequately described - as "acres of land," or "number of lots."

Much real property is omitted from the tax books. Systematic reappraisal programs which have included adequate mapping have added to the tax rolls many parcels of land that had been omitted previously. Inventories of buildings show an even greater percentage of omissions.

Taxable land is sometimes omitted from the tax books because the owner fails to list it voluntarily, and assessors lack sufficient means to discover it. Many taxable buildings are incompletely enumerated for tax purposes. Residential and farm real estate is commonly listed simply as land (acreage or lot) and one building (residence). Garages, barns, and other outbuildings are usually omitted. Inasmuch as assessors frequently cannot view the properties listed, much of this partial enumeration is undetected.

Personal property is more incompletely listed than real property. Should citizens voluntarily list all taxable personal property at its actual value, such property would be virtually confiscated at the prevailing tax rates. Therefore, in many areas, large classes of taxable personal property have disappeared from the tax rolls. In some areas assessors admit that about the only owners of personal property they are able to "catch" are those who also own real property. Many citizens who own no real property are not known by local tax officials.

### Absence of Standards

Lack of adequate standards, specific rules, and formalized methods appears to be directly responsible for inequalities, underassessment, and other major problems of taxation of property.

Assessment in the Southeast is still dependent upon self-listing and self-assessment followed by "equalization" at the hands of local assessors. Self-listing of property has long been recognized by students of taxation as entirely inadequate.



Although statutes of the Southeastern States specify that real property shall be reassessed at intervals ranging from 1 to 6 years, reassessment usually consists of merely copying the values previously assigned or of having such values "reaffirmed" by property owners.

Assessment of property depends too much upon the personal bias of individual owners and the judgment of one or more tax officials who may be almost wholly uninformed. Personal property is seldom inspected or viewed by the local assessor. Much real property is poorly described in the records, is unclassified, and sometimes is not seen by the assessor. Rural lands are usually assessed on the basis of an average value per acre without regard to original quality or subsequent improvement. It is not surprising, therefore, that some of the greatest inequalities among individual assessments are found in rural properties.

In an interview, the tax commissioner of a rural county in the Southeast said that his office had never owned any type of map or plat for use in listing and assessing real property. He said further that it was impossible for assessors personally to visit and inspect individual properties, and that assessments necessarily were based on the assessor's familiarity with individual property owners.

The tax assessor of another rural county, when questioned as to the noticeable difference in rates of rural and urban assessments, explained that he customarily assessed urban property at lower values because urban properties had to bear additional municipal levies.

Assessments based on personal judgment rather than on uniform, adequate standards of value, can hardly be equitable.

#### Officials Untrained and Underpaid

Methods of selecting assessors and determining their requisite qualifications and duties vary widely throughout the Southeast. In Alabama, county assessors are elected for 6-year terms. However, responsibility for original assessments devolves largely upon county boards of equalization, the members of which are appointed for 4-year terms, and they work only a few days each year.<sup>7/</sup>

In Florida, Tennessee, and Virginia, county assessors are elected for 4-year terms.<sup>8/</sup> Assessments are reviewed by county boards of equalization.

<sup>7/</sup> For a more detailed account of the confused situation with respect to the functions of the county assessor and his relation with the boards of equalization, see The Alabama Revenue System, Report of the Revenue Survey Committee, an Interim Committee of the 1945 Legislature, Montgomery, Ala., January 1947, Ch. VII.

<sup>8/</sup> In Virginia, this official is designated as the County Commissioner of Revenue.

In most counties in Georgia, a tax commissioner is elected every 2 years and county boards of assessors are appointed by county commissioners for 6-year terms. Members of the latter boards in this State also serve only a few days each year, and there is a somewhat indeterminate division of responsibility.

County tax supervisors in North Carolina are appointed by county commissioners for terms of 1 year.<sup>2/</sup> Township list-takers, who are appointed by the tax supervisors, are subject to the same insecure tenure.

In South Carolina almost all responsibility for the assessment of general property other than that for voluntary assessment by property owners, is delegated to a large number of local part-time assessors. Many of these are local school trustees. Representatives of these local township (or district) assessors also make up the county boards of equalization and review. The elected county auditor, although influential in all matters of county finance and taxation, is not legally responsible for property assessments.

Despite the wide variations in assessment systems of the several States, some basic weaknesses are common to all. Salaries of assessing officials are almost universally insufficient to attract and retain well-trained and qualified people. Assessors are commonly paid less than ordinary semiskilled laborers. Many of them draw a meager per diem for only a few days each year.

Furthermore, some of the methods by which these tax officials are chosen are not conducive to the selection of competent persons. Selection of assessors by popular vote has been criticized as an ineffective method of acquiring qualified officials. On the other hand, this method may be less objectionable than others in common usage.

Reliance upon part-time assessors appears to be especially disadvantageous, as it makes virtually impossible professional competence and continuity of policy. It is becoming apparent that the function of assessing property for tax purposes warrants the full-time activity of well-trained, adequately paid specialists, who are unencumbered by political obligations and aspirations. The need for altering the assessment system to effect the utilization of such capabilities is apparently most urgent in many areas throughout the Southeast.

#### Statutory Problems

Probably the chief revelation of any inquiry into the problems of administration of the property tax would be the disparity between statutes and actual practice. The more significant of these discrepancies are well known and have been discussed. Although the statutes of all Southeastern States, except Alabama, specify full value as the basis of assessment, apparently fractional assessment is universally practiced. The statutes

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<sup>2/</sup> The North Carolina General Assembly of 1953 extended the terms of tax supervisors to 2 years, effective in 1955 (Par. 1, Ch. 970 (SB279) G.S. 105-283).

further specify that assessments shall be "uniform" and "proportional," but widespread inequalities are the rule. Many types of property, although fully taxable by law, are conspicuous by their absence from the tax books.

Much of the disparity between statutes and actual property tax administration may be traced either to the inadequacy of the statutes or to their misinterpretation. Many of the laws concerning property taxation are complex and are almost impossible to administer under present conditions. It is improbable, for example, that uninformed, underpaid, part-time assessors are able to uniformly assess thousands of properties of various types in the time now allotted for the job.

More glaring disparities result from voluntary or necessary misinterpretation of the statutes. For example, some assessors admit that they assess personal property at lower rates than real property, although the statutes provide for no distinction between these classes. Their reasons vary from the idea that such a practice tends to "encourage voluntary listing" to the assessor's "personal feeling" that personal property is acquired by greater physical exertion on the part of the owner and is therefore entitled to this consideration. Some assessors apparently assume that differential assessment is justified by the homestead exemptions accorded such property, although these exemptions are not applicable to all tax levies. Irrespective of the justification for homestead exemptions, the statutes that provide for them in no way infer any change in the method of evaluating such property. Certainly it was not intended that homesteads should be undervalued so that they might be exempted entirely or that they should be overvalued because of the exemption.

The point is not whether assessors are correct in these assumptions, but that in a matter so important as taxation there should be so much difference between law and practice and so much latitude in administration of an identical statute by different officials. Examples of the disparity between statutes and actual practice of property tax administration evidence the urgent need for comprehensive revaluation of the statutes and of the administrative procedures under which property is assessed and taxed in the Southeast.

#### Summary

In the Southeastern States the property tax structure is complicated because of many governmental subdivisions which depend heavily upon this tax as a source of revenue. Complexity of administration is further increased by numerous exemptions, excessive omissions of property from the rolls, and unrealistic, inequitable assessments. Taxable property generally is assessed for small, though widely varying, fractional parts of its actual value.

The system is largely responsible for most of the difficulties of property tax administration. It results in inadequate facilities, haphazard standards, and untrained and underpaid officials. Many statutory provisions are complex and difficult to interpret and execute.

Significant progress toward improvement in property tax administration is being made in some parts of the Southeast, but there is need for further effort to contribute to this progress.

## COSTS OF FEDERAL PROGRAMS TO STABILIZE AGRICULTURAL PRICES AND INCOMES

Frederick D. Stocker

This article presents some of the results of an attempt to measure the direct financial costs to the Federal Government of programs undertaken to stabilize agricultural prices and incomes during the fiscal years ended June 30, 1930-53.<sup>1/</sup> The data were originally developed as part of a broader study, not yet completed, covering all Federal activities related to agriculture.

One might surmise that statements of governmental cost would be readily available among the wealth of financial data published by the Federal Government. But no single Federal financial statement now published shows the costs to the Federal Government of its various activities. The preparation of estimates of such costs involves an amalgamation of financial data derived from Federal budgets, annual reports of the Secretary of the Treasury, and many varied financial statements of Government agencies and corporations.

The concept of governmental cost, as used herein, refers not to expenditures, but to the net financial charges against the Federal Government associated with the performance of certain specified programs. Costs of administration are recognized, as are losses incurred from lending activities. Insofar as a program produces commercial revenues to the Federal Government, or is financed from special taxes that are imposed as an integral part of the activity, these revenues or special taxes are treated as offsets to outlays, or negative costs. Outlays that are recovered by the Treasury, either through repayment of loans or through program revenues, are not regarded as costs.

Governmental activities can be classified according to the method by which they are financed. One group consists of functions that are financed from direct appropriations or transfers. They are referred to here, for want of a better term, as "direct-outlay" activities. A second group includes corporate or quasi-business activities, which operate on what is essentially the revolving-fund principle. Different procedures are required to estimate costs of these types of activities.

Direct-Outlay Activities

For activities of the Federal Government that are financed directly from appropriations or from transfers from other appropriations the data used for estimating costs are obligations incurred. Obligations are used

<sup>1/</sup> Any functional classification of Federal farm programs must be arbitrary in some degree, as many of these activities have dual or multiple purposes. The group of activities considered here has been limited by including only those programs that apparently have had as their primary objective the stabilization of farm prices and incomes.



rather than expenditures for two reasons. First, obligations are conceptually more nearly appropriate for purposes of cost estimation.<sup>2/</sup> There is often a discrepancy of timing between the obligation of funds and the actual expenditure. This lag, though of small importance over a span of years, may involve considerable distortion in a year-by-year picture of costs.

The second reason for using data on obligations is that Federal financial statements generally show obligations in greater detail than expenditures. Obligations, as shown in the Federal budget, are customarily detailed by activities. Expenditure data, however, are shown only as totals for each appropriation category. Consequently, a much more detailed analysis of costs can be made with the use of data on obligations.

But cognizance must be taken of a disadvantage that is implicit in the use of data on obligations for purposes of cost estimation. Obligations, as reported in the Federal budget, include funds set aside to meet commitments for which bills may not yet have been rendered. In part, therefore, these data are only an advance estimate of costs. But the estimate is usually very close. Revisions in reported obligations subsequent to publication of the budget document are considered of such minor significance that they were ignored in the study reported here.

Over the period covered by the study, the divergence between total obligations and total expenditures associated with these programs cumulates to approximately \$34.6 million. This represents obligations canceled during the period or remaining unliquidated on June 30, 1953, and reflects also revisions in obligations made after publication of the budget. An adjustment (referred to, for convenience, as "adjustment to expenditure basis") is shown at the foot of each table to reconcile the estimates of governmental costs developed in this study with similar estimates, based principally on expenditures, also prepared by the United States Department of Agriculture.

In estimating governmental costs the treatment of capital outlays deserves special mention. Federal financial data supply no convenient separation of obligations incurred for purchases of capital equipment from those for purchases on current account. Outlays for depreciable assets are combined with current expenses. This practice, which is not usually considered appropriate in private accounting, is more easily reconciled in Federal accounting. In view of the fact that large expenditures are made each year by the Federal Government for capital equipment, it seems reasonable to assume that the year-by-year distortion of costs involved in charging capital items to current expense is negligible. All

<sup>2/</sup> For different purposes, other definitions of cost may be more suitable. Lewis H. Kimmel, for example, in his Governmental Costs and Tax Levels, Brookings Institution, 1948, discusses governmental costs in terms of expenditures. But his purpose was apparently to evaluate the effect of Federal fiscal policy on the gross national product and on tax levels. Thus his purpose differs materially from that set forth here, which accounts for the difference in the concept of cost.



obligations incurred in connection with direct-outlay activities are therefore treated as current costs.

In addition to obligations incurred from funds appropriated directly for a given activity, a complete accounting of costs requires that transfers be taken into account. Thus, in the category under present consideration, transfers from section 32 funds<sup>3/</sup> to the school lunch program are regarded as costs of the school lunch program, not of surplus removal.<sup>4/</sup> Likewise, funds transferred in 1947 from the section 32 appropriation to various other agencies for pay-act costs are reflected as costs to the individual agencies rather than to the section 32 program. In general, the rule followed is that transferred funds are included under that activity to which they are functionally more closely related. Occasionally this rule results in charging such costs to the transferring agency; at other times they are included with the costs of the recipient activity. Each such transfer must be considered separately and handled according to existing circumstances.

In addition to the problems encountered in determining costs of various governmental activities for a single year, a special problem arises in preparing comparable estimates for a series of years. Obligations incurred under a particular appropriation in one year cannot always be compared meaningfully with the same item in other years, because many functions are transferred from one agency to another, or from one appropriation to another. Necessary comparability adjustments have therefore been made in the published data. The procedure used in making these adjustments involves adopting as the basis of classification the appropriations structure as it existed in fiscal 1953. Where necessary, adjustments are made in reported obligations for earlier years to make them comparable with those for 1953. These adjustments are based on unpublished data supplied by the Office of Budget and Finance of the Department of Agriculture and are shown in the tables as "comparative transfers."

Commercial revenues of the Department of Agriculture, which arise from sources such as the sale of agricultural products, also require special mention. These revenues are deducted from costs of the activities concerned, as they are, in effect, negative costs to the Government. Among the activities under consideration here, the Federal Surplus Commodities Corporation and the Agricultural Adjustment Administration have at one time or another earned commercial revenues.

Occasionally, basic legislation authorizing certain activities provides a special source of funds to meet the program costs. The processing taxes enacted as part of the Agricultural Adjustment Act of 1933,

<sup>3/</sup> Section 32 of the act of August 24, 1935, provides that 30 percent of custom receipts (with unused funds accumulating up to \$300,000,000) shall be available for removal of surplus agricultural products.

<sup>4/</sup> However, costs of surplus commodities donated under section 32 to the school lunch program are included among the other costs of the section 32 program.

and the taxes and import duties of the Sugar Act program are illustrations. Accurate estimates of cost must recognize these collections as offsets against obligations incurred.

Several items have been excluded from the estimates of governmental cost. Unobligated balances are not included. Nor do the estimates include obligations incurred on a reimbursable basis, whether the reimbursement is from some other agency of the Federal Government or from non-Federal sources. Obligations incurred from working funds are omitted, as these costs are presumably recognized at the time the working fund is set up.<sup>5/</sup> Trust-fund obligations are also excluded, inasmuch as these funds are set up with non-Federal capital and involve no accountable cost to the Federal Government.

#### Governmental Costs - Direct Outlay Activities

The costs to the Federal Government of its direct-outlay activities in stabilizing agricultural prices and income are shown in tables 1-4. These activities, as reflected in the costs associated with them, were particularly important during the 1930's and the early years of World War II.

In the early 1930's, comparatively large costs were incurred for rental and benefit payments under the Agricultural Adjustment Act of 1933 (table 3). The larger part of these costs is included in column 1 of table 3, but additional rental and benefit payments are included in the same table under the "corn and hog production adjustment program" and the Cotton Act of 1934. During the early 1930's much of the cost of these activities was offset by processing tax collections.

In 1936, the Soil Conservation and Domestic Allotment Act authorized payments to farmers for acreage reductions of soil-depleting crops.<sup>6/</sup> In many respects, these payments replaced the rental and benefit payments made under the invalidated Agricultural Adjustment Act of 1933. The acreage allotment payments made in each year are shown in column 1 of table 8.

<sup>5/</sup> A working fund is essentially a payment in advance of performance of a job. To illustrate, such a fund is established when agency A contracts with agency B for some work necessary to A's program. The transfer to the working fund shows up as an obligation incurred by A. Obligations from the fund, which appear under agency B in the budget schedules, must be disregarded if double counting is to be avoided.

<sup>6/</sup> Grants of cash and conservation materials were also made under this program to farmers who engaged in certain approved conservation practices. These payments, which since 1947 have been the only ones made under provisions of the act, have been considered for present purposes to relate primarily to conservation, and only incidentally to stabilization of agricultural prices and incomes. Therefore, they were excluded from consideration.

Table 1.- Costs of Federal activities to stabilize agricultural prices and incomes: Removal of surplus agricultural commodities under the "section 32" program, 1936-53 <sup>1/</sup>

Fiscal year	Food stamp plan	Cotton stamp plan	Purchases for direct distribution <sup>2/</sup>	Diver- sion <sup>3/</sup>	Export pro- gram	Admin- istra- tive expense	Cotton price adjust- ment pro- gram	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1936----			13,037	3,007	852	5/ 62	32,500	49,458
1937----			11,634	2,936	881	5/	10,397	25,848
1938----			46,074	7,280	898	1,337	6	55,595
1939----	130		67,348	2,592	9,775	1,611	124,115	205,571
1940----	16,610	40	118,183	3,143	47,232	4,593	4,380	194,181
1941----	83,566	6/20,527	84,373	13,221	10,647	6,998		219,332
1942----	112,407	3,450	48,968	7,334	10,580	6,461		189,200
1943----	49,242		14,984	15,237	6,657	7/6,548		92,668
1944----			15,033	6,743	1,314	3,753		26,843
1945----			9,071	507	4,155	3,605		17,338
1946----			6,207	3,782	20,298	4,025		34,312
1947----			16,208	21,757	33,742	3,518		75,225
1948----			45,426	8,015	19,900	1,760		75,101
1949----			25,772	475	26,978	2,344		55,569
1950----			41,682	7,312	24,574	3,857		77,425
1951----			13,474	21	24,885	3,718		42,079
1952----			35,221	986	16,755	3,037		55,999
1953----			56,717	1,456	11,675	3,032		72,880
Total-	261,955	24,017	669,412	105,785	271,798	60,259	171,398	1,564,624

Adjustment to expenditure basis ----- \$3.0 million

Realized cost, based principally on data on expenditures---\$1,567.6 million

<sup>1/</sup> Obligations incurred under sec. 32 of the act of Aug. 24, 1935. Excludes funds transferred to the cotton price-adjustment program, but includes transfers to the Federal Surplus Commodities Corporation.

<sup>2/</sup> Includes costs of commodities donated to the school lunch program.

<sup>3/</sup> Includes costs of school milk payments.

<sup>4/</sup> Excludes allotments and transfers to cooperating agencies.

<sup>5/</sup> Additional administrative expenses, not included here, were paid from sec. 12(a) funds and, in 1936, from Jones-Connally funds. See table 3, footnote 8.

<sup>6/</sup> Includes \$3,000,000 for local administration of the supplementary cotton stamp program.

<sup>7/</sup> Excludes allotment to the Agricultural Adjustment Agency for incentive payments.

Table 2.- Costs of Federal activities to stabilize agricultural prices and incomes: Sugar Act program, 1938-53

Fiscal year	Conditional payments	Administrative expense <sup>1/</sup>	Comparative transfer from "printing and binding" <sup>2/</sup>	Sugar tax collections (deduct)	Total
	(1)	(2)	(3)	(4)	(5)
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1938-----	23,744	228		33,382	-9,410
1939-----	53,249	582		68,909	-15,078
1940-----	46,930	738	6	73,606	-25,932
1941-----	46,798	1,030	4	79,711	-31,879
1942-----	46,556	1,101	4	72,008	-24,347
1943-----	55,359	956	3	56,936	-618
1944-----	53,707	1,000	2	72,695	-17,986
1945-----	51,325	1,129	2	76,556	-24,100
1946-----	47,277	1,162	3	59,791	-11,349
1947-----	52,221	1,247	3	63,907	-10,436
1948-----	53,731	1,244		74,523	-19,548
1949-----	70,553	1,422		80,314	-8,339
1950-----	58,515	1,463		75,087	-15,109
1951-----	62,250	1,428		83,660	-19,982
1952-----	68,578	1,460		82,077	-12,039
1953-----	63,529	1,411		83,028	-18,088
Total-----	854,322	17,601	27	1,136,190	-264,240

Adjustment to expenditure basis----- -\$31.9 million

Realized cost, based principally on data on expenditures -\$296.1 million

<sup>1/</sup> Includes expenses of county committees under sec. 388, Agricultural Adjustment Act of 1938, and of State and national administration under sec. 392.

<sup>2/</sup> After 1947, included in "administrative expense."

In 1935, the invalidation of the Agricultural Adjustment Act of 1933 caused the Federal Government to redirect its farm program. The surplus-removal program (table 1) was initiated in fiscal 1936 under authority of section 32 of the act of August 24, 1935. This activity has been an important one, in terms of cost, for almost two decades - especially during 1940-43, when the food- and cotton-stamp plans were in operation. Although the cost to the Federal Government of this activity has varied widely since World War II, the scale of operations is now decidedly smaller than that of prewar or war years.

The Sugar Act program (table 2) has been in continuous operation since 1938. Under this program, conditional payments are made to growers

who comply with the requirements of the act. Collections from the sugar tax and import duties levied in connection with the program have in every year more than offset the costs incurred.

A group of miscellaneous activities designed to stabilize agricultural prices and income are shown in table 3. Most of these programs operated during the depression or early years of World War II and have now been terminated. In this group, only the agricultural production program, under which acreage allotments and marketing quotas are administered, continues in operation.

The Federal Surplus Commodities Corporation (earlier called the Federal Surplus Relief Corporation) incurred heavy obligations in several years of the 1930's for purchases of commodities. These purchases were financed mainly from emergency relief funds. After 1936, however, additional purchases were made from section 32 funds. These costs are included in table 1, among other costs of the section 32 program.

In 1935, sizable costs were involved in the removal of surplus cattle and dairy products under the Jones-Connally Act and in the purchase and disposition of seed and livestock under an allotment of funds appropriated for emergency relief. The cotton price-adjustment program (table 1) also resulted in extensive surplus-removal activities, especially in fiscal 1936 and 1939.

The Agricultural Adjustment Act of 1938 authorized parity payments to be made to farmers for the difference between average market prices and parity prices. Payments under this act are shown in table 3 and were comparatively large in fiscal years 1940-43.

Toward the close of World War II, the direct outlay activities of the Federal Government to stabilize agricultural prices and incomes were sharply curtailed. The total cost of these programs in fiscal 1945 was only a small part of the cost incurred in any of the years immediately preceding. The comparatively low level of costs incurred in the late war and postwar years is partly a reflection of the fact that a large volume of the domestic agricultural output was disposed of abroad under the United Nations Relief and Rehabilitation Administration and other foreign relief programs, costs of which are not considered here.

The International Wheat Agreement came into operation in fiscal year 1949. This activity is essentially international in nature. Nevertheless, it has important effects for the stabilization of agricultural prices and incomes, and for this reason it was included within this group of functions. Since 1949, the costs to the Federal Treasury of the International Wheat Agreement have accounted for a large proportion of the total costs of the stabilization programs.

#### Corporate Activities

The second category of Federal governmental activities includes those administered through corporate or quasi-business organizations. Among the activities designed to stabilize agricultural prices and



Table 3.- Costs of Federal activities to stabilize agricultural prices and incomes: Other direct outlay activities, 1934-53

Fiscal year	Rental and benefit payments <sup>1/</sup>	Admin-istrative expenses <sup>2/</sup>	Processing taxes and (deduct) <sup>3/</sup>	Removal of surplus plus cattle and dairy products (Jones-Connelly Act) <sup>4/</sup>	Agricultural Adjustment Act of 1938		Agricultural production program <sup>5/</sup>		Miscellaneous <sup>1/</sup>	Total, excluding emergency relief	Emergency recovery and relief				Total, including emergency relief
					dollars	dollars	dollars	dollars			dollars	dollars	dollars	dollars	
1934-----	350,839	16,756	356,152	860	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1935-----	579,721	21,960	517,797	73,101	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1936-----	298,291	15,211	77,129	8/3,264	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1937-----	89,037	10,621		8	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1938-----	2,193	1,167			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1939-----		1,368			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1940-----		260			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1941-----		159			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1942-----		268			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1943-----		4			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1944-----		19			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1945-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1946-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1947-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1948-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1949-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1950-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1951-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1952-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1953-----					1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total-1	1,320,082	67,793	951,078	77,233	965,859	19,920	94,995	23,033	126,323	11,698,094	37,000	134,301	88,944	1,952,339	

Adjustment to expenditure basis-

Realized cost, based principally on expenditures-----

-----\$1.1 million

-----\$1,697.0 million

<sup>1/</sup> Payments made under sec. 12(b) of the Agricultural Adjustment Act of 1933, and under the act of Feb. 11, 1936.<sup>2/</sup> Includes administrative expenses incurred under sec. 12(a) and sec. 12(b) of the Agricultural Adjustment Act of 1933, obligations under the act of Feb. 11, 1936, and obligations under allotments to the Extension Service.<sup>3/</sup> Data from Combined Statement of Receipts, Expenditures, and Balances of the United States.<sup>4/</sup> Excludes allotments to the Bureau of Animal Industry and other cooperating agencies. Excludes also costs of disposition of seed and livestock under allotment from emergency relief funds.<sup>5/</sup> Actual payments, as reported in the annual reports of the Agricultural Adjustment Administration (Agency).<sup>6/</sup> Includes transfers from "Conservation and use of agricultural land resources." Before 1947, these costs cannot be identified separately from the other costs of the agricultural conservation program, and are therefore omitted.<sup>7/</sup> Includes payments under the Tobacco, Cotton, and Potato Acts; income from sale of seed and hogs by the Agricultural Adjustment Administration; production payments on potatoes and commercial truck crops; administration of the Cotton Act of 1934; retirement of cotton pool participation trust certificates; costs of removal and diversion of agricultural commodities under the appropriation "conservation and use"; and obligations for removal of surplus sugar under sec. 12(b) of the Agricultural Adjustment Act of 1933 and under the Jones-Costigan Act (act of May 9, 1934).<sup>8/</sup> Some of the administrative expenses shown here were incurred in connection with the removal of surplus agricultural commodities under sec. 32 of the act of Aug. 24, 1935.

Table 4.- Costs of Federal activities to stabilize agricultural prices and incomes: International Wheat Agreement, 1950-53 <sup>1/</sup>

Fiscal year	Differen- tial pay- ments to exporters	Due Commod- ity Credit Corporation for export of com- modities	Interest due Commod- ity Credit Corporation <sup>2/</sup>	Total
	(1)	(2)	(3)	(4)
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1950-----	36,763	38,874	---	75,637
1951-----	99,713	78,659	2,000	180,372
1952-----	128,327	38,844	4,141	171,312
1953-----	121,239	4,924	4,623	130,786
Total-----	386,042	161,301	10,764	558,107

Adjustment to expenditure basis -----

Realized cost, based principally on data on expenditures \$558.1 million

<sup>1/</sup> Costs are shown in the year in which they were incurred through the Commodity Credit Corporation. The Corporation is reimbursed by the Treasury in the second fiscal year following that to which the charges relate.

<sup>2/</sup> Amounts actually recorded in CCC accounts.

incomes are those conducted by the Commodity Credit Corporation and the Agricultural Marketing Act revolving fund. The Federal Crop Insurance Corporation is also included within this group of activities, although its administrative expense is paid from a direct appropriation and can therefore be regarded as a direct outlay.<sup>1/</sup>

In place of data on obligations derived from the Federal budget, principal reliance must be placed on the agencies' own profit and loss statements and balance sheets. It becomes necessary to accept the many accounting decisions implicit in the published statements, even though the precise concept of cost of government may not be served by the accountant's method of handling certain items. It is, nevertheless, considered preferable to adhere to the agencies' own accounting statements rather than to attempt to recast them in the hope of achieving some sharper refinement of the data for purposes of estimating costs.<sup>8/</sup>

<sup>7/</sup> Although the Federal Surplus Commodities Corporation was also organized in corporate form, its operations can be analyzed for cost purposes in the same way as direct-outlay activities.

<sup>8/</sup> One noteworthy instance in which accounting statements are recast for purposes of cost analysis is the allocation of losses of the Agricultural Marketing Act revolving fund. Because of the legal circumstance surrounding the writing off of losses on loans made by the fund, the years in which losses were recognized bear no relation to the years in which such losses might be thought of as having actually occurred. Therefore, the total of such losses, as shown by the fund's published statements, is reallocated to the years in which the fund was actively engaged in lending operations.

The cost to the Federal Government of activities of this type consists of two components. The first is the annual net profit or loss from operations on current account. The second item, which is taken into account separately only when it is not reflected in current results of operation, is the interest chargeable on the invested capital of the Federal Government. If interest payments are actually made on Federal capital, they are reflected in current profit or loss. But if such payments are not made, a full statement of costs requires that an estimated interest charge be added to operation costs. As a general procedure, the interest rate used in each year is the average payable on the public debt outstanding on June 30, and is charged against the average Federal investment during the fiscal year.

#### Governmental Costs - Corporate Activities

The Federal Government made crop insurance available to farmers for the first time in the crop-year 1939. The first losses were charged to the operations of the fiscal-year 1940, although costs were incurred for salaries and expenses in each of the preceding years (table 5). The crop insurance program realized losses in each fiscal year from 1940 through 1944. Operations were suspended in fiscal-year 1945, but were resumed in 1946. Premiums have exceeded indemnities in 4 of the 8 years since 1946.

The Agricultural Marketing Act revolving fund was established under the auspices of the Federal Farm Board in 1929. The initial capital of the fund, \$500,000,000, was available for loans to stabilization corporations to enable them to control surpluses. The fund operated until 1933, when its lending functions were abolished and its remaining assets were transferred to the Farm Credit Administration.

Losses on loans of the Agricultural Marketing Act revolving fund are estimated, as of June 30, 1953, to be \$329,241,787 on stabilization loans and \$10,114,886 on other loans. The former amount includes loans of \$197,385,144 canceled in connection with donations of wheat and cotton to the American National Red Cross, and a loss of \$46,305,669 on cotton sold to the Secretary of Agriculture in accordance with section 3 of the Agricultural Adjustment Act of 1933. The total of these losses on stabilization loans is apportioned to 1930-33, and on other loans to 1930-39, in proportion to the advances made in each of these years. These losses, as well as other costs associated with the fund, are shown in table 6.

The Commodity Credit Corporation began operations early in fiscal 1934, shortly after the activities of the Federal Farm Board were terminated. The principal function of the Corporation is the administration of the agricultural price-support program of the Federal Government. The net realized gain or loss from this activity is shown in table 7, column 2. The figures in this column include, in 1947, 1948, and 1949, additional costs of postwar price support chargeable against a special direct appropriation rather than to the Corporation itself.

Table 5.- Costs of Federal activities to stabilize agricultural prices and incomes: Federal Crop Insurance Corporation, 1938-53

Fiscal year	Admin- istrative expense 1/	Compar- ative transfers from "printing and bind- ing"	Indem- nities not cov- ered by premiums	Gain or loss from hedging and other income and ex- pense	Interest on capital stock 2/	Total
	(1)	(2)	(3)	(4)	(5)	(6)
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1938-----	681	---			---	681
1939-----	4,661	---			130	4,791
1940-----	5,577	67	2,191	1	207	8,043
1941-----	5,110	64	4,539	175	353	10,241
1942-----	7,679	60	11,828	-4,183	457	15,841
1943-----	6,442	38	10,190	-1,947	693	15,416
1944-----	1,720		15,772	-777	772	17,487
1945-----	2,770		---	---	774	3,544
1946-----	6,189		13,972	-87	1,397	21,471
1947-----	7,004		30,408	-2,237	1,896	37,071
1948-----	4,412		-5,396	-3,128	2,182	-1,930
1949-----	4,052		-5,904	- 713	2,236	-329
1950-----	4,905		3,798	494	594	9,791
1951-----	5,655		-1,502	12	613	4,778
1952-----	6,021		1,955	90	629	8,695
1953-----	6,915		- 597	- 137	658	6,839
Total-----	79,793	229	81,254	-12,437	13,591	162,430

Adjustment to expenditure basis----- -\$4.6 million  
 Realized cost, based principally on data on expenditures \$157.8 million

1/ Includes administrative expenses under sec. 388 and sec. 392 of the Agricultural Adjustment Act of 1938 as well as transfers to "marketing services." Excludes transfers to the Treasury Department and obligations under transfers from "Emergency Fund of the President."

2/ Computed by multiplying the capital stock owned by the Federal Government on June 30 of each year by the average interest rate on public debt securities outstanding on that date.

The overhead costs of the Commodity Credit Corporation are included in table 7, column 1. These costs include general expense and (after 1948) interest on capital stock, and are net of interest and other earnings of the Corporation. Strictly speaking, only a part of this overhead is attributable to the price-support program. But as no generally acceptable basis is available by which to divide the overhead costs of the Commodity Credit Corporation between price-support and other programs, the entire amount is included in the table.

Table 6.- Costs of Federal activities to stabilize agricultural prices and incomes: Agricultural Marketing Act revolving fund, 1930-53 <sup>1/</sup>

Fiscal year	Estimated losses		Payments to sta-	Interest earnings	Estimated interest on Fed-	Total cost minus profit
	Stabilization loans <sup>2/</sup>	Loans to cooperatives <sup>3/</sup>	bilization corporations	(deduct)	eral capital <sup>4/</sup>	
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930----	39,733	2,235		404	7,932	49,496
1931----	139,697	3,382		4,077	7,820	146,822
1932----	112,436	2,220		4,615	7,333	117,374
1933----	37,376	1,078	35,106	4,355	5,866	75,071
1934----		146	4,947	2,766	2,154	4,481
1935----		267		444	1,436	1,259
1936----		120		1,198	869	-209
1937----		394		912	1,019	501
1938----		117		1,792	909	-766
1939----		156		710	849	295
1940----				638	860	222
1941----				860	2,371	1,511
1942----				338	903	565
1943----				207	232	25
1944----				264	134	-130
1945----				122	108	-14
1946----				75	113	38
1947----				60	121	61
1948----				53	126	73
1949----				39	130	91
1950----				31	129	98
1951----				32	134	102
1952----				46	138	92
1953----				24	149	125
Total-	329,242	10,115	40,053	24,062	41,835	397,183

Interest charged to fiscal years 1930-31 ----- \$15.8 million

Adjustment to expenditure basis -----

Realized cost, based principally on data on expenditures- \$381.3 million

1/ Excludes administrative expense, which cannot be determined apart from costs of other activities of the Federal Farm Board (in fiscal years 1930-33). Administrative expense associated with the Agricultural Marketing Act revolving fund is probably somewhat less than \$1,000,000 annually through fiscal 1933, and much less since then.

2/ Computed by allocating the total losses on stabilization loans through June 30, 1953 (\$329,241,787) to the years 1930-33 in proportion to the advances for stabilization purposes in each of these years. Includes also loans canceled in connection with donations of wheat and cotton to the American National Red Cross, Public Resolutions No. 12 and 33 and Public Act No. 329, 72d Cong., in the amount of \$197,385,144 as of June 30, 1953, and determined loss on cotton sold to the Secretary of Agriculture in accordance with sec. 3 of the Agricultural Adjustment Act of 1933 in the amount of \$46,305,669 as of June 30, 1953.

3/ Computed by allocating the total losses on loans to cooperatives (including drought relief), through June 30, 1953 (\$10,114,886) to the years 1930-39 in proportion to the advances made in each of these years.

4/ Computed by multiplying the net Federal investment in the fund on June 30 of each fiscal year by the average rate payable on public debt securities outstanding on that date.



Table 7.- Costs of Federal activities to stabilize agricultural prices and incomes:  
Commodity Credit Corporation, 1934-53 <sup>1/</sup>

Fiscal year	Net expense, general <sup>2/</sup>	Net program results		Interest on capital stock <sup>5/</sup>	Total
		Price support <sup>3/</sup>	Other <sup>4/</sup>		
	(1)	(2)	(3)	(4)	(5)
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1934-----	-730			95	-635
1935-----	-914			81	-833
1936-----	9,069	8,649		2,559	20,277
1937-----	1,326	5,284		2,582	9,192
1938-----	-492	440		2,589	2,537
1939-----	-5,639	4,580		2,600	1,541
1940-----	6,170	7,419		2,583	16,172
1941-----	-431	34,018		2,518	36,105
1942-----	-11,931	-69,175		2,285	-78,821
1943-----	10,071	-49,858	1,945	1,979	-35,863
1944-----	8,505	-5,919	-12,365	1,929	-7,850
1945-----	<sup>6/</sup> 24,218	29,464	5,721	1,936	61,339
1946-----	<sup>6/</sup> 31,244	-30,106	-35,896	1,996	-32,762
1947-----	11,854	71,895	<sup>7/</sup> -242,738	2,107	-156,882
1948-----	-8,741	125,357	-38,295	2,182	80,503
1949-----	15,519	254,761	-4,765	361	265,876
1950-----	48,031	249,230	-2,759	200	294,702
1951-----	41,646	345,599	1,615	395	389,255
1952-----	34,086	67,352	1,356	454	103,248
1953-----	54,839	61,147	<sup>8/</sup> 6,326	438	122,750
Total-----	267,700	1,110,137	-319,855	31,869	1,089,851

Adjustment to expenditure basis-----

Realized cost, based principally on data on expenditures----- \$1,089.9 million

<sup>1/</sup> Excludes costs associated with the wartime consumer-subsidy program. Figures are based on data published in the Report of Financial Condition and Operations of the Commodity Credit Corporation and on unpublished data supplied by CCC. Positive figures represent loss, expense, or reduction of income; negative figures represent gain, income, or reduction of expense.

<sup>2/</sup> Includes interest paid by the Corporation to the Federal Treasury, both on its borrowing and (since 1949) on its capital stock. The capital stock outstanding is \$100,000,000, of which the entire amount is owned by the U. S. Treasury. Interest on capital stock is paid at a rate determined by the Secretary of the Treasury to equal the average rate payable on interest-bearing marketable public debt securities of the United States. Interest on borrowings from the Treasury is paid at rates determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available. Although the precise amounts paid cannot be identified separately from the published reports of the Corporation, it is assumed that the payments are equivalent to the cost of these funds to the Treasury.

<sup>3/</sup> Before adjustment of valuation reserves. As of June 30, 1953, CCC maintained a reserve of \$636,712,000 for estimated losses on price-support operations, including accounts and notes receivable.

In 1947, 1948, and 1949, the losses include obligations from a special \$500,000,000 appropriation (Public Law 301, 79th Cong.) for postwar price support. In 1948 and 1949, the costs shown include losses totaling slightly more than \$56 million from funds provided on a reimbursable basis for foreign assistance under Public Laws 389 and 393, 80th Cong.

<sup>4/</sup> Includes gains or losses from the supply program, the foreign purchase program, the commodity export program, the storage facilities program, and chargeoffs on accounts and notes receivable.

<sup>5/</sup> Computed by multiplying the capital stock held by the U. S. Treasury on June 30 of each year by the average rate of interest on public debt securities outstanding on that date. Since 1949, the Corporation has made annual interest payments to the Treasury on its capital stock. These payments are deducted from the interest charge imputed to the Corporation.

<sup>6/</sup> Reflects adjustments necessitated by a shift from an accrual basis of accounting to a collections basis.

<sup>7/</sup> In fiscal 1947, the sum of \$178,697,000 was transferred to earnings from a special liability reserve. This reserve represents the net operating results of the general commodities purchase program to June 30, 1946, and was built up over the war years. The earnings reflected in this transfer are, therefore, more properly chargeable to fiscal years 1942 through 1946. Inasmuch as no basis exists for making such an allocation, however, the entire amount must be recognized in the fiscal year 1947.

<sup>8/</sup> Includes a loss of \$7,954,000 resulting from the disposition of hay under the drought emergency program. This loss is recoverable from the Housing and Home Finance Agency pursuant to Public Law 875, 81st Cong.

Other activities of the Commodity Credit Corporation include the supply program, under which agricultural commodities are bought in behalf of other Government agencies, foreign governments, and relief agencies; the foreign purchase program, under which commodities are bought abroad to meet foreign and domestic requirements; and the commodity export program, which relates to exportation of domestic agricultural products, principally cotton and wheat. Although these functions are distinct from the price-support activities of the Corporation, they bear directly and significantly on agricultural prices and incomes. For this reason they are included among the other costs of the Commodity Credit Corporation (table 7, column 3).

An additional activity administered by the Commodity Credit Corporation is the wartime consumer-subsidy program. Nearly all the costs of this activity were incurred during World War II, and they far exceed the costs of the other CCC programs. Although the wartime consumer-subsidy program directly affected the prices and incomes received by farmers, its primary purpose was to stabilize the prices paid by consumers for agricultural products. For this reason it is omitted from the present discussion.

Table 8 is a summary statement showing the total costs of the programs in each of the categories considered above. The total costs of all activities designed to stabilize agricultural prices and incomes, from fiscal 1930 through 1953, amounts to \$7,560.8 million. This total excludes \$254.2 million in obligations incurred in connection with these programs under emergency relief appropriations. These costs are not chargeable directly to the Department of Agriculture, and they are regarded in the official statements of the Department not as costs of agricultural stabilization but as special expenditures for relief.

#### Possible Uses of Cost Data

This paper has not attempted to analyze the cost data presented. It has had the more limited objective of developing an approach to the estimating of governmental costs that will have meaning in terms of available Federal statistics. Nevertheless, in conclusion, it may be well to suggest several possible uses of cost data of the kind developed here.

Information on costs of Federal activities related to agriculture is one of the tools necessary for an evaluation of Federal farm policies. A knowledge of the absolute costs of individual Federal activities and groups of activities is necessary for this purpose.

Federal cost data may also prove useful for comparative studies. For example, one type of agricultural activity may be compared, on a cost basis, with programs operating in a different direction within the agricultural field; or comparisons may be drawn between the actual costs of programs designed to accomplish a given end and the prospective costs of other methods of achieving the same end.

Table 8.-- Costs of Federal activities to stabilize agricultural prices and incomes: All programs, 1930-53

Fiscal year	(1) Acreage allotment payments under agri- cultural conserva- tion program	(2) Removal of surplus ag- ricultural commod- ities (sec. 32)	(3) Sugar Act program	(4) Other direct outlay activi- ties 1/	(5) Internat- ional Wheat Agreement	(6) Federal Crop Insurance Corporation	(7) Agricul- tural Marketing Act revolving fund	(8) Commodity Credit Corporation 2/	Total
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1930-----							49.5		49.5
1931-----							146.8		146.8
1932-----							117.4		117.4
1933-----							75.0		75.0
1934-----				75.6			4.5	-0.6	79.5
1935-----				168.4			1.2	-8	168.8
1936-----		49.5		237.1			-2	20.3	306.7
1937-----	313.6	25.8		99.8			5	9.2	448.9
1938-----	217.4	55.6	-9.4	3.7		0.7	-8	2.5	269.7
1939-----	350.7	205.6	-15.1	48.3		4.8	3	1.5	596.1
1940-----	380.2	194.2	-25.9	217.5		8.0	2	16.2	790.4
1941-----	326.7	219.3	-31.9	183.9		10.2	1.5	36.1	745.8
1942-----	332.5	189.2	-24.3	191.1		15.8	.6	-78.8	626.1
1943-----	218.1	92.7	-18.0	237.2		15.4	3/	-35.9	526.9
1944-----	193.1	26.8	-18.0	163.0		17.5	-1	-7.9	374.4
1945-----	---	17.3	-24.1	.5		3.6	3/	61.3	58.6
1946-----	22.5	34.3	-11.4	---		21.5	3/	-32.8	34.1
1947-----		75.2	-10.4	.5		37.0	.1	-156.9	-54.5
1948-----		75.1	-19.6	.3		-1.9	.1	80.5	134.5
1949-----		55.6	-8.3	11.3		-3	.1	265.9	324.3
1950-----		77.4	-15.1	26.5	75.6	9.8	.1	294.7	469.0
1951-----		42.1	-20.0	18.8	180.4	4.8	.1	389.3	615.5
1952-----		56.0	-12.0	7.0	171.3	8.7	.1	103.3	334.4
1953-----		72.9	-18.1	7.6	130.8	6.8	.1	122.8	322.9
Total-----	2,354.8	1,564.6	-264.2	1,698.1	558.1	162.4	397.1	1,089.9	7,560.8
Interest charged to fiscal 1930 and 1931, Agricul- tural Marketing Act re- volving fund-----							-15.8		-15.8
Adjustment to expenditure basis-----		3.0	-31.9	-1.1	---	-4.6	---	---	-34.6
Realized cost, based prin- cipally on data on ex- penditures-----	2,354.8	1,567.6	-296.1	1,697.0	558.1	157.8	381.3	1,089.9	7,510.4

1/ Excludes obligations of \$254.2 million under emergency relief appropriations. A detailed breakdown of these costs is shown in table 3.

2/ Excludes reserve for anticipated losses on price-support operations of \$636.7 million on June 30, 1953.

3/ Less than \$50,000.

Finally, cost data covering a period of years may be useful in illuminating changes and trends in the agricultural activities of the Federal Government. They may illustrate in a new perspective the part played by the Federal Government in economic affairs. No discussion of the implications of this form of presentation is undertaken here. Inquiry along this line may nevertheless be expected to shed new light on the relations between the agricultural programs of the Federal Government and developments in the agricultural sector of the economy and in the economy at large.

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Income Tax Changes.- Income tax liabilities of farmers to various governments on 1953 income decreased somewhat from those of the preceding year. The drop stems mainly from lower farm incomes, although Iowa, Maryland, New York, and North Dakota enacted rate reductions applicable to 1953 income. In Delaware, personal income tax rates were raised in 1953. Federal income tax rates applicable to 1953 income remain at the same levels as for 1952. Present law provides for a reduction of these rates for tax years beginning on or after January 1, 1954.

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Sales Tax Changes.- Pennsylvania has joined the ranks of States levying general retail sales and use taxes. The 1-percent levy became effective September 1, 1953. In the last year, Connecticut temporarily increased the rate of its sales tax from 2 to 3 percent, and the legislatures of North Dakota and Rhode Island voted to continue their temporary 2-percent rates for another year.

NON-REAL-ESTATE LOANS TO FARMERS BY PRINCIPAL LENDERS

On July 1, 1953, non-real-estate debt owed to the principal institutional lenders (excluding loans held or guaranteed by the Commodity Credit Corporation) was \$4.6 billion - 4 percent lower than on July 1, 1952 (fig. 1). This decline is significant because it is the first break in the upward trend that has been under way throughout the postwar period.

The largest decreases between July 1952 and July 1953 were in the West North Central and Mountain States (fig. 2). Although decreases occurred in only 20 States, the declines were relatively great. The drop in Kansas was 21 percent; in Iowa, Missouri, and Nebraska it was about 16 percent each; and in Colorado it amounted to 11 percent. Non-real-estate loans continued to increase during the year in 28 States - mainly in the Northeast and South. However, only Maine, Rhode Island, and Connecticut had increases of more than 10 percent.

Since July 1953, the decline in non-real-estate loans has apparently deepened and become more widespread. Banks that are members of the Federal Reserve System report a decline in non-real-estate farm loans of 9.4 percent between September 5, 1952, and September 30, 1953. Because the dates in these years do not correspond exactly, some of the decline may be seasonal, but all Federal Reserve districts except the four in the Northeastern States showed decreases during that period. At the end of October 1953, outstanding loans of production credit associations were 6.8 percent lower than a year earlier. Such loans were lower in all districts of the Farm Credit Administration except Springfield, Baltimore, and Houston.

The main reason for the reduction in short-term, non-real-estate loans has been the drop in prices of cattle. Although all regions have cattle, the areas most affected were those that raise or fatten beef. Costs of livestock replacements and of feeder cattle are lower and, because of the less favorable price situation, some producers are carrying fewer head. In the extensive drought area of the Southwest shortages of feed have forced liquidation of some cattle, resulting in payment or reduction of many loans. In the Midwest, loans are substantially below those of last year because of the smaller volume of feeder loans made this fall.

Although prices of livestock have declined more than prices of most other farm products, farmers generally have become more cautious about making additional investments in their farms and many have tried to reduce operating expenses. The large expenditures made by farmers during recent years for machinery, automobiles, motortrucks, buildings, and other farm and home improvements have enabled many to postpone, or drastically reduce, further expenditures for these purposes. This greater caution about new farm investments, and the attempts to adjust expenditures to lower farm incomes, have reduced farmers' demands for



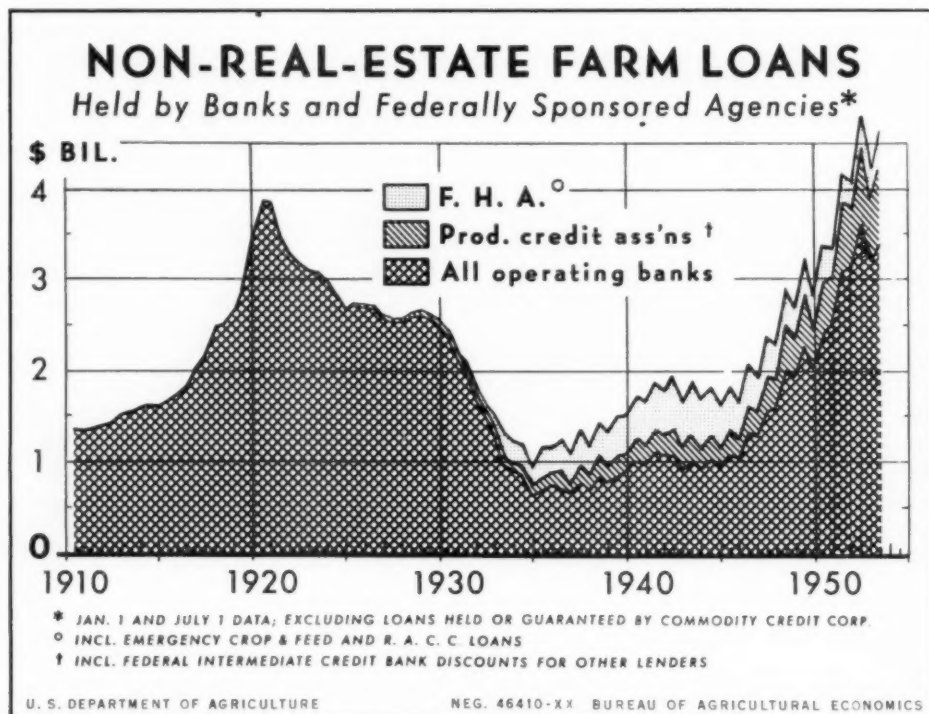


FIGURE 1

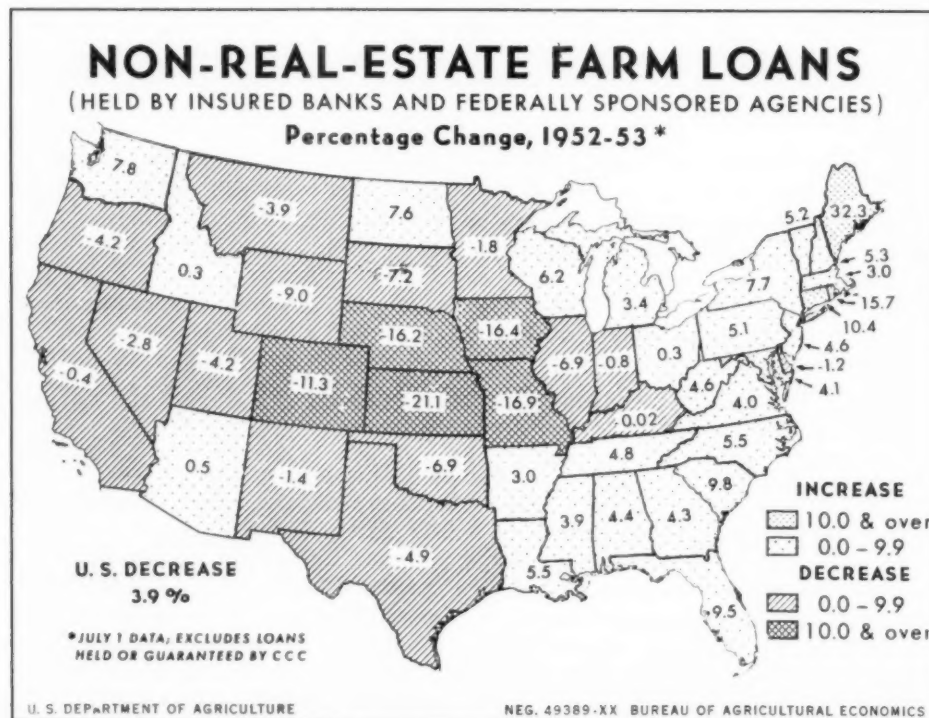


FIGURE 2

credit. Lower prices have caused lenders to be more careful in extending credit to farmers and to ask the weaker credit risks among their farm borrowers to reduce their credit obligations.

Non-real-estate credit, on the whole, is adequate to maintain high farm production. Credit difficulties have been mainly limited to the drought areas of the Southwest. Refinancing of short-term loans into longer term loans has been more prevalent in that region than in any other. Some further repayment difficulties in this and other areas may become apparent at the end of the year when more loans will have matured.

#### COMMODITY CREDIT CORPORATION LOANS

On July 1, 1953, the volume of price-support loans to farmers, held or guaranteed by the Commodity Credit Corporation, totaled about \$850 million compared with about \$200 million a year earlier (appendix table 13). Total Commodity Credit Corporation loans outstanding at the end of September 1953, including loans to cooperatives as well as to individual farmers, was \$1,624 million compared with \$833 million outstanding a year earlier. The more important crops under loan were: Wheat, \$566 million; corn, \$434 million; cotton, \$325 million; and tobacco, \$221 million. The amounts of loans on wheat and tobacco did not differ greatly on September 30, 1953, from those on September 30, 1952, but loans on corn and cotton were much greater.

In October 1953, the practice of financing price-support loans by issuing certificates of interest was extended to cover loans on grain and other commodities. This method of obtaining funds, which has been used in making cotton loans, was expanded as a result of the large 1953 crops to be financed and the need for maximum private investment so as to curtail, as much as possible, public borrowing by the United States Treasury. Under this program, the Commodity Credit Corporation obtains funds for price-support loans by selling certificates of interest to commercial banks. These certificates, which bear 2 1/2 percent interest and are freely negotiable, are evidence of participation in a pool of price-support loans. Certificates will mature on August 2, 1954, but upon demand they are redeemable by the Commodity Credit Corporation before maturity.

The initial offering by the United States Department of Agriculture in October 1953 invited participation in a pool of price-support loans totaling \$360 million. Applications were received from 2,923 banks throughout the country and totaled more than \$2 billion. As a result of the oversubscription, participation of each bank in the pool was allotted as follows: Applications of \$50,000 or less were allotted in full and those exceeding \$50,000 were allotted \$50,000 or 13 1/2 percent of the application, whichever was greater.

## EMERGENCY LOANS OF THE FARMERS HOME ADMINISTRATION

Emergency loans of three types are currently provided by the Farmers Home Administration.

1. Production disaster loans. In April 1949, provision was made for loans to farmers and stockmen in areas determined by the Secretary of Agriculture to have suffered production disaster and to be without readily available credit from other sources. By June 30, 1953, about \$134 million worth of such loans had been made. About \$54 million were still outstanding on that date. Between July 1, 1953, and October 31, 1953, an additional \$6 million worth of loans were made. In October 1953, production disaster loans were available in all counties of 18 States and in some counties of 18 additional States.

2. Special livestock loans. In July 1953, special loans were authorized in all areas to livestock operators (other than operators of commercial feed lots) who are unable to obtain needed credit from regularly established lending institutions. By October 31, 1953, about \$14 million of such loans to 1,343 borrowers had been approved under this program. The need for these special livestock loans arose from the livestock price situation in 1953, and the severe drought in large areas of the South and Southwest. The largest numbers of loans were made in Texas, Missouri, and Arkansas.

3. Economic disaster loans. The Secretary has been authorized to make such loans in areas in which an economic disaster has caused a temporary need for agricultural credit that cannot be met by regularly established lending institutions, including the regular lending programs of the Farmers Home Administration. Such loans can be made only in areas declared by the President to be disaster areas under Public Law 875. Areas for economic disaster loans were first authorized late in October 1953. By November 24, 1953, areas designated included all of Arkansas, Missouri, and New Mexico, and parts of Florida, North Carolina, Virginia, and Mississippi. Relatively few loans, however, had been made as of that date.

## DEPOSITS OF INSURED COMMERCIAL BANKS

Total deposits of insured commercial banks in 618 selected agricultural counties throughout the country increased 4.8 percent during the year ended June 30, 1953 (table 1). For all counties with small trading centers, of which the agricultural counties are a part, the increase in

deposits was 4.3 percent. There was a 3.6-percent increase in deposits in counties containing the secondary trade and financial centers and almost no change in deposits in counties containing the major centers. For all banks in the United States the increase was 2.1 percent.

For the agricultural counties, the greatest increase in bank deposits occurred in the Corn Belt and Delta States. Deposits increased the least in the Texas-Oklahoma and Mountain regions. In all regions time deposits of individuals, corporations, and partnerships in the agricultural counties increased more than their demand deposits. This suggests that farmers have added more to their savings than to their working funds. In three regions - Texas-Oklahoma, Mountain, and Pacific - demand deposits in agricultural counties declined slightly.

Table 1.- Percentage change in total deposits of insured commercial banks, by class of county and by region, June 30, 1952-53

Region	All counties	Counties that contain:			Selected agricul- tural counties <sup>3/</sup>
		Major trade and financial centers <sup>1/</sup>	Secondary trade and financial centers <sup>2/</sup>	Small trading centers <sup>3/</sup>	
	Percent	Percent	Percent	Percent	Percent
Northeast-----	-1.6	-4.2	3.5	2.3	2.6
Appalachian----	2.4	-.7	1.9	3.5	4.4
Southeast-----	3.7	4/	1.8	5.9	4.1
Lake States-----	6.3	6.6	6.1	6.1	6.4
Corn Belt-----	4.0	2.8	4.4	5.4	7.0
Delta States----	4.3	4/	1.9	6.2	7.5
Great Plains----	2.8	4/	1.2	3.4	4.3
Texas-Oklahoma--	3.8	7.5	3.0	1.5	1.4
Mountain-----	6.0	4/	7.5	4.6	1.9
Pacific-----	4.1	3.9	3.5	6.2	2.5
United States	2.1	.02	3.6	4.3	4.8

<sup>1/</sup> Counties that had total deposits of \$1 billion or more on June 30, 1948.

<sup>2/</sup> Counties that had total deposits of \$100 million to \$1 billion on June 30, 1948.

<sup>3/</sup> Counties that had total deposits of less than \$100 million on June 30, 1948. From these counties the 618 agricultural counties were selected. In all except a few of these agricultural counties the farm population, according to the 1940 census, was more than half the total population and no town or city had a population as large as 15,000. Total deposits of the 618 selected agricultural counties constituted, on June 30, 1953, only about 12 percent of the total deposits of all counties containing small trading centers.

<sup>4/</sup> This region contains no county which had \$1 billion or more of deposits on June 30, 1948.

FARM CREDIT ACT OF 1953

The Farm Credit Act of 1953, approved August 6, 1953, is designed to bring about significant changes in the Farm Credit Administration. As stated in the title of the act, the broad objectives are: "To increase farmer participation in ownership and control of the Federal Farm Credit System; to create a Federal Farm Credit Board; to abolish certain offices; to impose a franchise tax on certain Farm Credit institutions; and . . . other purposes." The act becomes effective December 4, 1953, 120 days after it was signed by the President.

Under the provisions of the law, the Farm Credit Administration became an independent agency in the Executive Branch of the Government. However, the law requires that it be housed in the Department of Agriculture in the District of Columbia. The law permits the FCA, with the consent of the Secretary of Agriculture, to utilize services and facilities of the Department.

A Federal Farm Credit Board of 13 members has been established to direct, supervise, and control the FCA. It is a policy board and is not to operate in an administrative capacity. Compensation to Board members is limited to 75 days of service a year.

The Board is to appoint the Governor of the Farm Credit Administration to serve at its pleasure, but pending retirement of Government capital in institutions supervised by the FCA, his appointment is subject to the President's approval and during such period the President has the power to require his removal. Under the supervision of the Board, the Governor is responsible for execution of the act, and all acts creating powers, functions, and duties of the Farm Credit Administration. He is authorized to appoint such personnel as he may require to perform these duties. The offices of the four commissioners are abolished.

Twelve members of the Board are appointed by the President with Senate confirmation, one from each Farm Credit district. In making these appointments, the President is directed by the law to give special consideration to persons experienced in cooperative agricultural credit and to receive and consider nominations made by national farm loan associations, production credit associations, and borrowers from the regional banks for cooperatives. One nomination is made by each of these three groups in each of the Farm Credit districts. The balloting for the purpose of making these nominations was carried on during the 120-day period between the signing of the law and the date it became effective.

The act authorizes and directs the FCA to delegate to the Federal land banks and production credit corporations such duties, powers, and authority with respect to and over national farm loan associations and production credit associations as may be determined to be in the interest of effective administration. The Board is directed within 1 year



after its appointment to make recommendations to the Congress as to means of retiring the investment of the United States in the banks and corporations under FCA supervision.

The Cooperative Research and Service Division of the FCA is transferred by the law to the jurisdiction and control of the Secretary of Agriculture. Under his reorganization memorandum of November 2, 1953, this Division became the Farmer Cooperative Service in the Federal-States Relations Group.

The act provides also for certain changes affecting district banks and corporations. It provides for the payment of franchise taxes by the Federal land banks, banks for cooperatives, and production credit corporations whenever the Government has any capital-stock investment in them. This provision does not now affect the Federal land banks, as they are owned entirely by the national farm loan associations. The act also gives the users of the system a greater voice on district Farm Credit boards by providing for the gradual replacement of certain appointed directors by elected directors.

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Short-Term Bank Loans to Minnesota Farmers.- This study of the short-term agricultural loans of eight country banks located in four different type-of-farming areas in Minnesota revealed that borrowers had a high owner-equity in their business, averaging around 80 percent. However, 7 percent of the borrowers had an owner-equity position of less than 50 percent. About 70 percent of the loan accounts were secured. Chattel mortgages were the most common form of collateral as about 54 percent of the loan accounts were secured by chattel mortgages. Nine percent were secured by conditional sales contracts. Forty-five percent of the loan accounts were "nonliquid" in the sense that the borrower remained indebted to the bank for the entire 12 months of the year. Additional notes, those notes representing a new cash advance to the borrower when that borrower had one or more other notes outstanding at his bank, were the most common, representing 54 percent of all notes. One-third of the notes involved some form of renewal. Forty-two percent of the loans were made at 7 percent interest and 28 percent were made at 6 percent. Interest rates tended to be somewhat higher in the West Central and Red River Valley areas.

Over 80 percent of the loans were made on a demand basis or for terms of 6 months or less. The fact that one-third of the notes involved some form of renewal indicates that the relatively short terms of these bank loans are not sufficiently long to meet many of the credit needs of farmers. Furthermore, a high percentage of renewal notes were renewed again at maturity. If the maturity dates were geared to the time of anticipated farm income, borrowers would not have to rely on renewals before funds were available to pay off the loans. From the lender's viewpoint, the costs involved in making renewals could be reduced and he would have a better picture of the "real" liquidity of his loans.

From Summary of Short-Term Bank Loans to Minnesota Farmers, by Reynold P. Dahl. Univ. Minn. Dept. Agr. Econ., Mimeo. Report 501, June 1953.

# REVIEW OF FARM-MORTGAGE DEBT

Farm-mortgage debt increased in 1953 for the eighth consecutive year. On January 1, 1954, it will probably amount to about \$7.8 billion - more than for any other year since 1933. This debt was \$7.5 billion on July 1, 1953, and \$7.2 billion on January 1, 1953.

Factors in the rise in farm-mortgage indebtedness in 1953 include: (1) A small decline in the rate of repayment because of lower prices and incomes, and drought in some areas; (2) some refinancing of short-term debt with long-term mortgage debt; (3) an increase in the proportion of farm real estate sales that were credit-financed; and (4) for the sales that were credit-financed, an increase in the average ratio of debt to sales price. These factors more than offset factors that tended to reduce new mortgage loans, such as a decline in the rate of sales of farm real estate, and a decline in farm real estate prices.

Most major groups of lenders in 1953 were increasing the amount of farm-mortgage loans they had outstanding, although lenders were reported generally to be screening applications more carefully and to be following more cautious loan policies. In the first half of 1953 the Federal land banks, commercial and savings banks, insurance companies, and miscellaneous lenders recorded a larger dollar amount of farm mortgages than in the first half of 1952 (table 1, fig. 1). Only individual lenders showed a decline in the amount recorded. Federal land banks and insurance companies held larger shares of the dollar amount of mortgages recorded in the first half of 1953 than in the same period of 1952. Individual lenders and commercial and savings banks had smaller shares. The number of farm mortgages recorded was about 2 percent less in the first half of 1953 than in the same period in 1952. This was due to a decrease in recordings for commercial and savings banks and for individuals, whereas other lenders increased the number of mortgages recorded. The average size of mortgage increased for each type of lender. This increase at a time when land values were declining is believed to reflect partly efforts by lenders to concentrate new loans on the better farms which have higher values and can carry larger mortgages.

Indications are that in 1953 the Federal land banks and life insurance companies increased their holdings of farm-mortgage loans more than other lenders. Federal land bank holdings on July 1, 1953, were 5 percent larger than at the beginning of the year and life insurance company holdings were up 6 to 7 percent. On the other hand, commercial and savings bank holdings of farm mortgages increased only 2 percent, and the increase for all other lenders was 4 to 5 percent.

Farmers used the proceeds of farm-mortgage loans for a variety of purposes in 1953. But a somewhat larger proportion was used to refinance debt in 1953 than in 1952 or 1951, according to a limited sample of the

Table 1.- Number, amount, and average size of farm mortgages recorded by principal lender groups during selected periods, 1947-53

## NUMBER

Lender	Average	1950	1951	1952		First half 1953
	1947-49			Total	First half	
	Number	Number	Number	Number	Number	Number
Federal land banks and Federal Farm Mortgage Corpo- ration 1/-----	34,448	42,820	39,459	43,273	22,666	24,244
Individuals-----	124,794	115,805	110,846	98,179	54,694	49,556
Commercial and savings banks----	127,141	126,012	111,732	109,922	60,764	59,248
Insurance companies	29,403	35,649	33,882	28,179	16,324	17,061
Miscellaneous-----	21,103	32,069	34,840	36,118	20,632	20,863
Total-----	336,889	352,355	330,759	315,671	175,080	170,972

## AMOUNT

	1,000	1,000	1,000	1,000	1,000	1,000
	dollars	dollars	dollars	dollars	dollars	dollars
Federal land banks and Federal Farm Mortgage Corpo- ration 1/-----	158,954	203,154	211,435	251,633	132,316	149,874
Individuals-----	482,055	492,234	560,228	514,293	292,685	276,536
Commercial and savings banks----	439,984	471,599	458,422	483,677	263,845	267,956
Insurance companies	255,655	348,003	381,614	345,615	192,267	228,301
Miscellaneous-----	88,594	140,905	158,549	182,401	100,863	111,102
Total-----	1,425,242	1,655,895	1,770,248	1,777,619	981,976	1,033,769

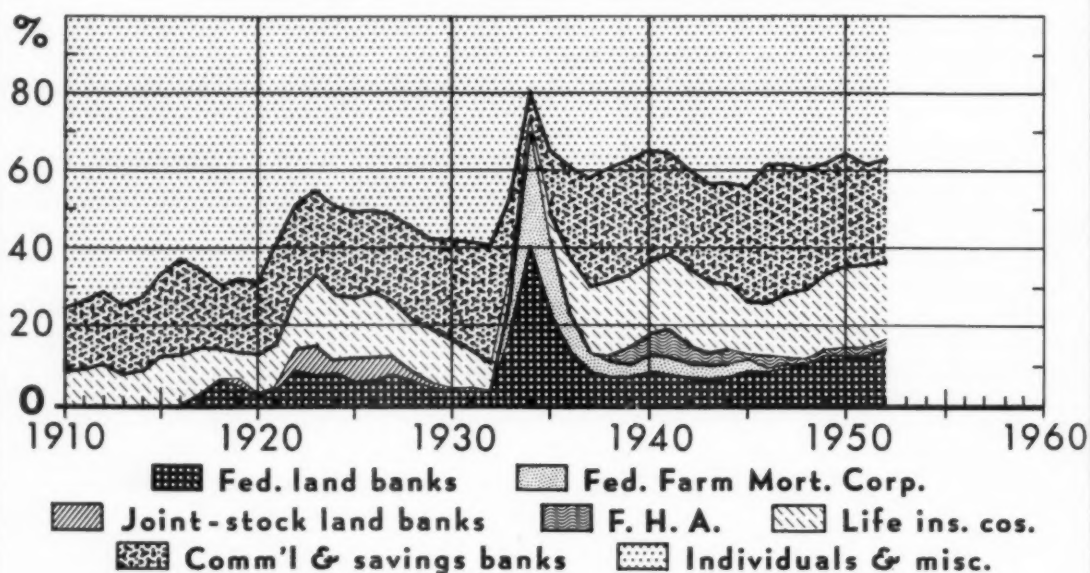
## AVERAGE SIZE

	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Federal land banks and Federal Farm Mortgage Corpo- ration 1/-----	4,610	4,740	5,360	5,820	5,840	6,180
Individuals-----	3,860	4,250	5,050	5,240	5,350	5,580
Commercial and savings banks----	3,460	3,740	4,100	4,400	4,340	4,520
Insurance companies	8,690	9,760	11,260	12,260	11,780	13,380
Miscellaneous-----	4,200	4,390	4,550	5,050	4,890	5,330
Total-----	4,230	4,700	5,350	5,630	5,610	6,050

1/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. A loan made jointly by a Federal land bank and the Land Bank Commissioner is considered as one loan. Lending authority of the Land Bank Commissioner expired July 1, 1947, except for purposes of refinancing loans already made. Farm Credit Administration.

## FARM-MORTGAGE LOANS MADE OR RECORDED

*Percentage Distribution by Principal Lenders*



U. S. DEPARTMENT OF AGRICULTURE

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FIGURE 1

last 1,200 Federal land bank loans made before June 15, in each of those years (table 2). Smaller proportions of the proceeds were used in 1953 than in 1952 to buy real estate, to make real estate improvements, and for miscellaneous purposes, including the purchase of livestock and machinery.

Interest rates on new farm-mortgage loans have risen in the last 2 years. In March 1953, they averaged 5.0 percent compared with 4.7 percent in March 1951, according to the Farm Credit Administration biennial interest rate survey (table 3). This is the highest rate charged since the FCA interest rate surveys began in 1941. The average rate of interest on all farm-mortgage debt outstanding January 1, 1953, was 4.7 percent.

Table 2.- Percentage of amount of loans closed for various purposes by Federal land bank system, based on a sample of the last 100 loans closed by each land bank before June 15, 1951, 1952, and 1953

Purpose	June 15, 1951	June 15, 1952	June 15, 1953
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
To refinance real estate mortgages (includes refinancing of Federal land bank and Federal Farm Mortgage Corporation mortgages)-----	43.8	43.3	43.9
To refinance chattel mortgages, notes, and accounts-----	10.2	11.0	11.7
To buy real estate-----	15.5	15.0	14.8
Repairs and improvements to buildings and land-----	13.7	15.3	14.6
Other purposes, including purchase of livestock and machinery and purchase of stock in national farm loan associations-----	16.8	15.4	15.0
Total-----	100.0	100.0	100.0

#### Farm Credit Administration.

All major groups of lenders have increased their interest rates on new farm-mortgage loans since March 1951. The rate for life insurance companies averaged 4.8 percent in March 1953, 0.5 percent higher than in 1951. Miscellaneous lenders averaged 5.2 percent, also 0.5 percent above 1951. Smaller increases were noted for other lenders, and only 2 of the 12 Federal land banks have increased their rates since March 1951 - the Baltimore Bank, which raised its rate to 4.5 percent in October 1951, and the Columbia Bank, which raised its rate to 5.0 percent in July 1951. Although the other 10 banks did not increase their rates, these two increases raised the March 1953 average rate charged by the Federal land banks slightly above that of March 1951.



Table 3.- Average contract interest rates on farm mortgages recorded, by type of lender, United States, selected years, March 1941-53 <sup>1/</sup>

Year (March)	Insur- ance compa- nies	Banks and trust compa- nies	Individ- uals	Federal land banks	Miscel- laneous lenders	All lenders
	Percent	Percent	Percent	Percent	Percent	Percent
1941-----	4.5	5.7	5.2	4.5	4.1	4.9
1943-----	4.3	5.3	5.0	4.4	4.4	4.8
1945-----	4.3	5.1	4.7	4.3	4.5	4.7
1947-----	4.2	4.9	4.5	4.1	4.1	4.5
1949-----	4.4	5.2	4.8	4.0	4.9	4.7
1951-----	4.3	5.3	4.9	4.0	4.7	4.7
1953-----	4.8	5.5	5.0	4.1	5.2	5.0

<sup>1/</sup> Based on farm-mortgage recording data obtained by secretary-treasurers of national farm loan associations, county recorders, abstracters, and others who submitted reports showing the contract interest rates charged on farm mortgages recorded in sample counties during March, odd years, 1941-53.

#### Farm Credit Administration.

Interest rates charged on new farm-mortgage loans by most lenders have followed the upward movement of interest yields on Government and corporate securities since early 1951. However, interest rates charged by the Federal land banks have been unchanged except for the increases noted above in the Baltimore and Columbia districts, and this may have limited the increases of other lenders.

The average yield on long-term, 2 1/2-percent United States Government bonds<sup>1/</sup> rose from 2.39 percent in January 1951, to 2.74 percent in January 1952, 2.80 percent in January 1953, and 3.09 percent in June 1953. Since June 1953 bond prices have strengthened, and the yield on this series of long-term Government bonds declined to an average of 2.83 percent in October 1953.

Similar reductions have taken place since mid-1953 in yields on municipal and corporate bonds. Reductions in yields on Government and corporate bonds since June 1953 have eased the upward pressure on farm-mortgage interest rates and further increases appear to be unlikely at present.

<sup>1/</sup> Fully taxable, marketable 2 1/2-percent bonds first callable after 12 years. Before April 1, 1952, only bonds due or first callable after 15 years were included.

## 1950 FARM-MORTGAGE SURVEY

Between 1945 and 1950 the number of mortgaged farms, acreage in mortgaged farms, and the ratio of debt to value of mortgaged farms declined. However, the proportion of farms mortgaged in 1950 was only slightly under that in 1945. Both the value of mortgaged farms and total farm-mortgage debt rose substantially.

About 1,480,000 farms were mortgaged in 1950. This was 14 percent less than in 1945, but most of the decrease was due to a decline in the number of farms. Mortgaged farms were 28 percent of the total in 1950, compared with 29 percent in 1945, and 39 percent in 1940. The proportion of farms mortgaged declined between 1945 and 1950 in the North and in the South, but increased in the West. In 1950, 22 percent of all farms in the South were mortgaged, 32 percent in the North, and 36 percent in the West.

About 29 percent of the farms operated by full owners were mortgaged in 1950. This was higher than the 21 percent of tenant- and manager-operated farms under mortgage, but lower than the 34 percent of the operator-owned parts of part-owner farms. In 1950 the proportion of all owner-operated farms under mortgage was 30 percent, and this was lower than in any census year since 1900. The 1950 proportion of tenant- and manager-operated farms under mortgage was the lowest recorded since 1930, the first year for which data are available for this group.

The average mortgaged farm had a mortgage debt of about \$3,800 in 1950, which was well above the \$2,900 average in 1945. The average owner's equity, however, had also risen in this period because of the rise in the value of farmland and buildings. Whereas the average equity per mortgaged farm was \$6,700 in 1945, it had risen to \$11,100 in 1950. The ratio of debt to value of mortgaged farms declined from 30 percent in 1945, to 25 percent in 1950. In 1950 average ratios of debt to value by tenure were 28 percent for full owners, 26 percent for part owners, and 21 percent for tenant- and manager-operated farms.

The proportions of acreage and value of all land in farms which were in mortgaged farms declined from 1945 to 1950. Mortgaged farms contained 26 percent of all land in farms in 1950, compared with 33 percent in 1945. About 35 percent of the total value of farmland and buildings was in mortgaged farms in 1945, and this declined to 30 percent in 1950.

Total farm-mortgage debt increased 13 percent, from \$4,940,915,000 in 1945, to \$5,579,278,000 in 1950. During this period farm-mortgage holdings of the Federal land banks, the Farmers Home Administration, the Federal Farm Mortgage Corporation, and the joint-stock land banks declined. Substantial increases occurred in the amounts of farm mortgages held by life insurance companies, banks, individuals, and others.

The average interest rate on farm-mortgage debt on January 1, 1950, was 4.5 percent, the same as in 1945. Little difference was shown in rates by tenure. Full owners paid an average rate of 4.5 percent in 1950; the average rate for part owners and tenant- and manager-operated farms was 4.4 percent. The average interest rate was 4.7 percent in the South, 4.6 percent in the West, and 4.3 percent in the North.

The 1950 Farm Mortgage Survey was a cooperative project of the Bureau of Agricultural Economics and of the Bureau of the Census. Detailed statistical data and a full discussion of procedures and findings are found in the cooperative report, Farm-Mortgage Debt, Part 8, Vol. V, United States Census of Agriculture, 1950.

### FEDERAL CROP INSURANCE

Prolonged drought in many parts of the country and severe rust damage to spring wheat were important causes of crop loss in 1953. Although preliminary reports for this year indicate that premiums will be somewhat less than indemnities, in the last 6 years total premiums of about \$106 million virtually equaled indemnities paid. During this 1948-53 period the all-risk crop-insurance program was operated on an experimental basis in selected counties with much more favorable results than in the first 8 years of operation (table 1).

Table 1.- Indemnities paid as percentage of all-risk crop-insurance premiums, by programs, United States, 1939-52 <sup>1/</sup>

Year	Wheat	Cotton	Flax	Corn	To- bacco	Dry edible beans	Multi- ple crops	Citrus fruit	Total all crops
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1939-----	164								164
1940-----	151								151
1941-----	168								168
1942-----	134	173							149
1943-----	172	198							182
1944-----	2/	2/							2/
1945-----	45	383	60	165	79				248
1946-----	53	344	182	83	41				178
1947-----	64	113	64	221	100				81
1948-----	58	43	51	17	43	29	6		53
1949-----	145	197	62	16	66	64	16		132
1950-----	51	280	41	123	61	182	93		90
1951-----	104	82	49	231	49	310	163	0	110
1952-----	85	44	79	25	78	56	233	4	97

<sup>1/</sup> Wheat, cotton, and flax insured nationally through 1947; on trial basis in selected counties, 1948-52. All other crops on trial basis to date. <sup>2/</sup> No program in effect. Federal Crop Insurance Corporation.

Table 2.- Selected operating data for Federal crop insurance programs,  
United States, 1950-53

Program and year	Counties in which operated	Farmers insured	Maximum liability 1/	Premium	Indem- nity
	No.	No.	1,000 dol.	1,000 dol.	1,000 dol.
Wheat:					
1950-----	283	84,816	95,867	8,394	4,287
1951-----	356	105,746	131,382	11,255	11,727
1952-----	390	118,847	149,422	12,445	10,571
1953-----	407	2/ 142,818	2/ 187,263	2/ 16,091	3/
Cotton:					
1950-----	80	63,969	33,363	1,837	5,148
1951-----	101	57,715	44,845	2,696	2,203
1952-----	98	44,151	38,007	2,079	922
1953-----	109	2/ 50,442	2/ 47,190	2/ 2,382	3/
Flax:					
1950-----	63	20,847	4,999	496	205
1951-----	61	19,788	4,698	465	226
1952-----	59	18,257	6,161	512	407
1953-----	54	2/ 23,433	2/ 8,928	2/ 825	3/
Corn:					
1950-----	73	32,292	20,126	741	911
1951-----	98	37,568	27,929	1,109	2,567
1952-----	99	36,598	31,284	1,350	339
1953-----	108	2/ 40,429	2/ 37,302	2/ 1,667	3/
Tobacco:					
1950-----	52	71,898	47,555	1,461	887
1951-----	69	76,426	50,348	1,599	781
1952-----	82	76,973	52,482	1,545	1,212
1953-----	103	2/ 102,691	2/ 69,382	2/ 2,055	3/
Dry edible beans:					
1950-----	18	5,138	2,293	103	187
1951-----	29	9,457	3,961	193	599
1952-----	30	9,014	3,173	198	110
1953-----	30	2/ 8,390	2/ 4,087	2/ 230	3/
Multiple crops:					
1950-----	55	27,725	36,305	1,268	1,174
1951-----	95	36,220	52,670	1,987	3,237
1952-----	115	42,709	68,849	3,023	7,049
1953-----	113	2/ 50,217	2/ 86,137	2/ 3,858	3/
Citrus fruit:					
1951-----	1	291	1,137	82	0
1952-----	1	202	804	56	2
1953-----	1	2/ 218	2/ 901	2/ 61	3/
Total, all crops:					
1950-----	624	306,685	240,508	14,300	12,799
1951-----	810	343,211	316,970	19,385	21,339
1952-----	874	346,751	350,182	21,208	20,612
1953-----	925	2/ 418,638	2/ 441,190	2/ 27,169	3/

1/ Based on coverage for harvested acreage. 2/ Preliminary. 3/ Data not available.

The number of county programs and the amount of insurance in force have increased each year since 1948. With 925 county programs operated in 847 counties in 1953, the maximum liability of the Federal Crop Insurance Corporation was about \$441 million - a record high. The previous peak of \$429 million liability was in 1947, when wheat, cotton, and flax insurance was available to all farmers and contracts were in force in about 2,000 counties. Selected operating data for the last 4 years are shown in table 2.

All-risk insurance is primarily a protection against the hazard of unfavorable weather. Detailed reports to the Federal Crop Insurance Corporation on the various causes of loss, combined into major groupings, are shown in table 3. Including minor causes not shown separately, and allowing for indirect effects on losses from insects and disease, weather apparently caused more than 90 percent of the damage for which indemnities were paid.

The Federal Crop Insurance Corporation is changing its general method of field operations. The local writing and servicing of its all-risk policies are to be handled by local agents appointed by the Corporation. Previously these services were performed by the PMA County Committees. In addition to selling new insurance and maintaining old policies, agents will obtain each year the acreage reports from which the premium and protection are determined, relay notices of loss, handle collateral assignments and transfers of interest, and collect premiums. The direct-agency method of operation will go into effect by January 1, 1954. Adjustment of losses will be done by trained personnel under the supervision of a district supervisor, as in the past.

Steps are being taken to strengthen the soundness of insurance operations in order to build reserves and make the insurance more nearly self-sustaining. The coverage-and-rate structure is being reviewed and wider spreading of risks and increasing of premium income will be emphasized.

Table 3.- Percentage distribution of all-risk indemnities paid, by cause of loss and by programs, United States, 1948-52

Insurance program	Cause of loss							
	Total	Drought, hot winds, blowout	Excessive moisture, flood	Hail	Frost, freeze, winterkill	Insects, diseases	Other	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
All programs	100	43	15	13	9	12	8	
Multiple 1/-	100	79	2	4	2/	2/	14	
Wheat-----	100	47	6	17	12	10	8	
Flax-----	100	38	38	8	2	8	6	
Tobacco-----	100	35	19	18	2	15	11	
Beans-----	100	33	16	36	7	5	3	
Cotton-----	100	18	39	6	2	32	3	
Corn-----	100	7	48	6	33	1	5	

1/ 1952 experience only. 2/ Less than 0.5 percent.



The former discount for early payment of premiums has been changed. The discount period was extended to a date after which the proceeds of the insured crop ordinarily would be available, premium rates were increased by 10 percent, and a new discount rate was adopted which was equal to the rate increase. Most farmers will pay the same rate as before. This change will go into effect for all crops in 1954, except winter wheat, and it will be effective on that crop for 1955.

### HAIL INSURANCE ON GROWING CROPS

In 1951 and 1952, farmers carried more hail insurance on their crops than in any previous year (table 1). Preliminary reports indicate that about \$1,770 million worth of hail insurance was carried in 1953. The percentage of crops lost from hail was at a record high this year in Iowa, Illinois, and Michigan.

In 1952, more hail insurance was carried on corn than on any other crop. Wheat and tobacco were second and third, respectively. In each of the years from 1950 to 1953, nearly half of the United States total crop-hail insurance was carried by farmers in Iowa, Illinois, and North Carolina.

Table 1.- Hail insurance on growing crops: Insurance written, net premiums, and losses paid, United States, 1940-52 <sup>1/</sup>

Year	Insurance written	Net premiums <sup>2/</sup>	Losses paid
	<u>Million dollars</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>
1941-----	340	14,858	9,290
1942-----	475	20,693	13,024
1943-----	622	26,854	19,443
1944-----	805	34,900	21,893
1945-----	937	42,040	24,249
1946-----	972	42,391	16,983
1947-----	1,198	58,434	27,696
1948-----	1,289	53,755	28,852
1949-----	1,240	55,186	26,823
1950-----	1,057	40,057	16,710
1951 <sup>3/</sup> -----	1,365	53,788	36,012
1952 <sup>3/</sup> -----	1,572	63,570	33,980

<sup>1/</sup> By mutual and stock insurance companies and State hail departments.

<sup>2/</sup> After cash discounts and dividends.

<sup>3/</sup> Preliminary.

# REDUCING FARMING RISKS

Even without insurance, a farmer can do much to reduce his property and personal risks. It is important that he do so because insurance seldom covers the full amount of a loss. He can reduce the chances of loss from fire by proper location of buildings in relation to prevailing winds and in relation to other buildings and their flammability, and by proper selection of roofing materials, chimney and flue construction, fire stopping, lightning protection, and wiring, taking into consideration probable future requirements.<sup>1/</sup>

Many fires result from carelessness associated with stoves, furnaces, and fireplaces, stovepipes, oil stoves, use of petroleum, disposal of ashes, accumulation of rubbish, storage of hay (spontaneous ignition), smoking, and electrical equipment.

A farmer who has home fire-fighting equipment, such as ladders, fire extinguishers of the proper type, water under pressure (with spigots and enough hose), and an ample supply of water for use by fire trucks, is already doing much to reduce the probability of substantial loss from fire. A fire arrester can be attached to the chimney to prevent sparks from falling on a shingle roof.

A farmer can also help in many ways to prevent minor damage from wind. Most small losses are due to carelessness or lack of maintenance.<sup>2/</sup> A farmer can keep his windows well puttied, his window fastenings in good condition, and his barn doors closed. Roofs are particularly vulnerable to damage by wind. Asphalt shingles can be cemented or stapled down, and wooden shingle roofs can be kept repaired. Dead trees that might be blown across buildings can be removed. Even a poorly constructed building can be strengthened with wall bracing, rafter ties, joints, and splicing.

Even if he has no all-risk crop insurance or crop-hail insurance, a farmer can help reduce his crop-production hazards. For example, greater stability in annual yields is associated with strip-cropping, irrigation, crop rotation, or summer fallowing, and with varieties of crops that are resistant to adverse weather, disease, and pests. Usually a positive correlation exists between the level of average yields and the variability in annual yields, so that a farmer may hedge to some extent against production hazards by using fertilizer to best advantage, and by other improved farm-management practices aimed at increasing annual yields. On the average, the higher annual yields are less variable over time.

<sup>1/</sup> Fire Safeguards for the Farm, by Ralph R. Botts. U. S. Dept. Agr., Farmers' Bull. 1643. 1949.

<sup>2/</sup> Farmers' Mutual Windstorm Insurance, by Ralph R. Botts. U. S. Dept. Agr., Agr. Inform. Bull. 70. 1952.

In reducing his personal risks, a farmer can do much to prevent accidents to himself, his family, and his hired help. Most farm accidents are caused by carelessness. Cornpickers must be stopped before attempts are made to unclog rollers; steps can be repaired to prevent falls; tractors can be hitched lower to minimize tipping; and more care can be used in smoking and in operating motor vehicles and tractors. With the increased use of machinery and power equipment on farms, constant vigilance is necessary.

#### RECENT LEGISLATION ON LIABILITY AFFECTING FARMERS

Farmers are affected by recent legislation on liability for injury to employees and by the "security" requirements of new motor vehicle safety and financial responsibility laws.

In 1953, the Massachusetts Legislature brought farmers who have four or more employees under the compulsory provisions of its workmen's compensation law. Exemption from the act applies only to occasional employees.

The legislatures in Arkansas, Maine, Maryland, Minnesota, Missouri, North Carolina, South Dakota, Vermont, and Wisconsin either passed new motor vehicle financial responsibility laws which require that a driver give evidence of security following a first accident or increased the amount of financial security or proof of security required. In Arkansas, Missouri, and North Carolina, security must now be shown by a driver following the first accident, if there is bodily injury, death, or property damage exceeding \$100. In Vermont, security is required if personal injury, death, or property damage exceeding \$35 is involved.

In 1953, the legislatures in Maine, Maryland, and Wisconsin increased the financial responsibility required of motorists to \$10,000 for bodily injury to one person, to \$20,000 for bodily injury to more than one person, and to \$5,000 for property damage. In Minnesota and Vermont, these amounts were increased to \$10,000, \$20,000, and \$2,000, respectively; and in Missouri and South Dakota, the security requirement for property damage was increased from \$1,000 to \$2,000, the same figure that now applies in Minnesota and Vermont.

Almost all States now have uniform motor vehicle safety and financial responsibility laws. Standard automobile liability insurance policies usually cover any differences in statutes among States that involve the liability of nonresidents.

PERSONAL INSURANCE CARRIED BY FARMERS IN CENTRAL AND  
EAST CENTRAL WISCONSIN, 1951 <sup>1/</sup>

A 1951 survey provides information on the personal insurance carried by 658 Wisconsin farmers. The survey included reports from 204 farm operators in 6 counties in the central sandy area in central Wisconsin (area 5) and 454 farm operators in the 7 counties that comprise the intensive dairying area in east central Wisconsin (area 7).<sup>2/</sup>

Half the farm operators in area 5 and a third of those in area 7 reported that they had no life insurance coverage (table 1). Less than 5 percent in either area had \$10,000 or more. In both areas the younger operators were insured more commonly and for larger amounts than the older operators.

Less than half the farmers in the sample had accident insurance. The proportion of farmers having coverage tended to decrease with age. Only a fourth of the farmers in the oldest age group were covered. There was no apparent relation between net worth and accident insurance coverage.

Table 1.- Life insurance carried by farmers in two economic areas of Wisconsin, by age of operator, 1951

Age of operator	Percentage of operators having indicated amounts of insurance									
	None		Under \$2,000		\$2,000-4,999		\$5,000 or over		Total	
	Area	Area	Area	Area	Area	Area	Area	Area	Area	
	5	7	5	7	5	7	5	7		
Years	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Less than 35	45	18	25	22	15	37	15	23	21	
35-44-----	30	30	26	22	31	23	13	25	25	
45-54-----	47	41	31	21	11	21	11	17	25	
55-64-----	73	38	22	26	5	26	-	10	18	
65 or over--	72	55	17	27	4	9	7	9	11	
Total-----	51	34	25	23	14	25	10	18	100	
Combined										
sample----	40		24		21		15		100	

<sup>1/</sup> From Farmer Conceptions and Plans for Economic Security in Old Age, by W. H. Sewell, C. E. Ramsey, and L. J. Ducoff. Wis. Agr. Expt. Sta., Research Bull. 182, 1953 (Bureau of Agricultural Economics cooperating).

<sup>2/</sup> Area 5 consists of Adams, Jackson, Juneau, Marquette, Portage, and Waushara counties. Area 7 consists of Brown, Calumet, Fond du Lac, Manitowoc, Outagamie, Sheboygan, and Winnebago counties.

Approximately two-thirds of the operators had no health insurance (table 2). The policies most commonly held included both hospitalization and medical service.

Table 2.- Health insurance on operator carried by farmers in two economic areas of Wisconsin, by areas, 1951 <sup>1/</sup>

Type of insurance	Area 5	Area 7	Total
	Percent	Percent	Percent
None-----	66	61	63
Hospitalization only-----	8	5	6
Hospitalization and medical benefits-----	15	18	17
Hospitalization and disability income-----	2	1	1
All three types-----	8	11	10
Other combinations-----	1	4	5
Total-----	100	100	100

<sup>1/</sup> See text footnote 2 for names of counties in each area.

FARM OWNERS GOOD DRIVERS: FARM LABORERS NOT SO GOOD

A leading automobile insurance company ranks farm owners and operators near the top as safe drivers, giving them fourth place among 64 occupations. Proprietors and managers of wholesale establishments were ranked highest from the standpoint of least cost per dollar of premium received, and enlisted military personnel were ranked 64th. County agents, farm demonstrators, and extension workers were ranked second, and farm managers, foremen, and supervisors were ranked fifth. Farm laborers, however, were ranked 35th.

The study, reported in the National Underwriter for July 30, 1953 (p. 3), covered years from 1949 to 1951. Drivers of private passenger automobiles in the different occupational groups were ranked according to the amount of claims paid per dollar of premium income received. Total premium income for the 3 years amounted to \$250 million. Information on claims paid per million miles traveled might have resulted in some shifts in the occupational ranking. No doubt there were more younger policyholders (under age 25) in some of the more hazardous occupations, such as farm laborers and enlisted military personnel, than in some of the occupational groups ranked as less hazardous.



### TAXABLE INCOME FROM INSURANCE

If a person lives to the maturity date of his endowment policy, so that the proceeds (face amount plus any dividends and interest) are payable to him, the excess of such proceeds over the premiums paid is considered as taxable income for Federal income-tax purposes. For example, suppose that a 20-year endowment policy for \$1,000 were taken out 20 years ago. The premiums have been \$45 a year. During the policy term, \$900 (20 x \$45) was paid as premiums. If dividends have been left with the company, so that the proceeds amount to \$1,185, instead of \$1,000, the difference between \$1,185 and \$900 must be included as taxable income. This \$285 would be added to the other income upon which a tax is figured in the current year.

If, on the other hand, the dividends were withdrawn as paid, the actual cost of the insurance was reduced, and the difference between the \$1,000 face amount received and the net cost would be considered as taxable income. For example, in the same illustration, if the aggregate dividends amounted to \$147, the net cost of the insurance was \$753 (or \$900 minus \$147). A tax would be payable on \$247, which is the difference between \$1,000 and \$753.

### NEW INCOME TAX PROVISIONS REGARDING FARM STORAGE FACILITIES

A bill of direct interest to farmers was enacted during the first session of the 83d Congress. Public Law No. 287 is intended to relieve the shortage of facilities for storing grain, particularly wheat and corn. It is intended to induce farmers to construct new facilities, to increase the capacity of existing storage facilities, or to convert existing structures into storage facilities.

This inducement to farmers comes through new Federal income-tax provisions related to the annual rate of depreciation permitted taxpayers in the amortization of storage facilities. The Internal Revenue Service (in Bulletin F) suggests that average lives of different types of storage structures vary from 12 years for grain elevators and wagon dumps, to 50 years for concrete grain tanks. The new provisions allow the eligible facility to be completely depreciated in 60 months (5 years).

The law defines a grain-storage facility as: (1) Any corn crib, grain bin, grain elevator, or similar structure suitable primarily for storing grain, if the facility is intended by the taxpayer at the time

of his election to be used for the storage of grain produced by him; and (2) any public grain warehouse permanently equipped for receiving, elevating, conditioning, and loading grain.

The law apparently intended to include the equipment in storage facilities, such as elevator machinery or conveyors, but the value of the land on which a structure is located is not subject to amortization. A committee report stated that persons who engage in the milling of flour and who build storage facilities for grain bought for use in such milling may not claim benefits from the new provisions.

Rapid amortization may be claimed on grain-storage facilities constructed or completed after December 31, 1952, and on or before December 31, 1956. A taxpayer may use either his regular schedule of depreciation, or the more rapid schedule (whichever he indicates on his tax returns), but he cannot use both at the same time. A committee report suggested that the 3-year period of operation of the new law may be extended if it appears necessary later on.

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Old Age and Retirement in Rural Connecticut.- A sample of Connecticut farmers and regular hired farm laborers were asked a variety of questions bearing on their financial security, their plans for retirement, and their views on the old age and survivors insurance program.

About half of the operators believe that they will have enough income to live fairly comfortably in their old age. The remainder are not sure that they will be able to meet their needs as they grow older. Only a few of the hired laborers believe that they can support themselves in their later years.

Most of the operators hope to achieve security by investing their savings in their own farm business. About half of the farm laborers are counting heavily upon old age benefits.

Not quite a third of the operators carried as much as \$5,000 worth of life insurance and barely a fifth had accident insurance of any kind. One-half of the operators were enrolled in a group health plan or carried personal health insurance. The hired laborers have very little protection outside their participation in the old age and survivors insurance program and the accident insurance provided by their employers.

Eighty percent of the farmers expressed general approval of the Federal old age and survivors insurance program, and 88 percent of the regular hired workers approved of it. Even higher proportions of the younger men and of those living on residential farms were in favor of the program.

From Summary of Old Age and Retirement in Rural Connecticut, 2: Economic Security of Farm Operators and Farm Laborers, by Walter C. McKain, Jr., Elmer J. Baldwin, and Louis J. Ducoff. Storrs Agr. Expt. Sta. Bull. 299, 1953.

RESEARCH PROJECTS IN AGRICULTURAL FINANCE  
Agricultural Credit, Agricultural Risks and Insurance, and Farm  
Taxation, Local Government and Public Finance

The following research projects are currently "in progress" in the field of agricultural finance. State projects include those reported directly by the State agricultural colleges and State agricultural experiment stations. Objectives of each project are briefly described. This list does not include numerous related research activities of other agencies, such as projects of the Farm Credit Administration, Farmers Home Administration, State tax commissions, and other agencies much of whose research is directed primarily toward administrative problems.

#### AGRICULTURAL CREDIT

Alabama Agricultural Experiment Station and Extension Service in cooperation with the Alabama Bankers Association and the Federal Reserve Bank of Atlanta: MORE EFFICIENT FARMING THROUGH PROPER MANAGEMENT AND WISE USE OF CREDIT.- During the spring of 1954, a series of farm credit clinics will be held at substation locations in major farming areas of the State. Alabama's commercial bankers and county extension workers will work with representatives of the cooperating agencies mentioned in an attempt to point up major problems and their solutions in connection with changes in the then current general and farm economic situation. Emphasis will be on attaining greater efficiency through better management and wise use of credit in 1954 and future years. Programs will include study and review of experimental data, and case studies of actual farms. Leaders: Ben T. Lanham, Jr., Foy Helms.

Alabama, Louisiana, Mississippi, Farm Credit Administration, and ARS: FINANCING DESIRABLE FARMING ADJUSTMENTS IN THE SOUTH.- This project is designed to determine the capital requirements for making desirable farming adjustments, as a basis for evaluating the role of credit and other means of financing in such adjustments. Various farm organizations or farming systems that are representative of the physical and economic conditions of selected type-of-farming areas would be compared in order to ascertain the capital and credit arrangements needed to facilitate adjustments to better farming systems. The credit needs and repayment possibilities of such adjustments under alternative price levels would be ascertained. Sponsored by Land-Grant College-Farm Credit Administration Advisory Committee, FCA's Fifth District. Leaders: Alabama, Ben T. Lanham, Jr.; Louisiana, F. E. Stanley and O. B. Quinn; Mississippi, R. J. Saville.

Arizona: AGRICULTURAL CREDIT FACILITIES IN ARIZONA: AN ANALYSIS OF EXISTING STRUCTURE AND PROBLEM AREAS.- Objectives are: (1) To inventory credit facilities available to farmers in Arizona; (2) to determine the conditions under which loans are made by the various credit

agencies; (3) to evaluate the relative importance of each of the various credit agencies in relation to the total volume of credit extended; (4) to determine the extent to which various groups of farmers make use of credit; (5) to point out those areas in which present credit facilities are not adequate for the needs of Arizona farmers; (6) to investigate the possibility of providing more adequate credit in these problem areas and suggest possible sources of, and procedures by which such credit may be made available. Leader: Andrew Vanvig.

Arkansas: EFFECTS OF FINANCING PRACTICES OF PRODUCERS ON MARKETING OF BROILERS.- The objective is to obtain information on methods of financing commercial broiler production in order to appraise the effects of these methods upon the marketing of broilers. The rapid growth of commercial broiler production in Arkansas during the last 15 years has brought large benefits to farm people. The extension of credit to producers by feed dealers, hatcheries, processors, and other lending institutions or agencies has been a vital factor in the growth of the industry. Methods and terms of financing were developed under which producers and dealers shared the risks in production and marketing. This appears to have improved productive efficiency by introduction of better broiler chicks, better feeds, and better methods for reducing flock mortality. However, in this process, producers may have given up marketing functions that should have been retained, and the loss of which may have affected their economic status. Leader: W. J. Windham.

California: BROILER PRICE AND PRODUCTION FLUCTUATIONS.- This work is a part of the Western Regional Poultry Marketing project. Methods of financing and credit are important determinants of production and marketing patterns and a significant phase of the study deals with financing practices at all levels, the credit agencies involved, and the nature and amount of credit extended for broiler production and marketing purposes. Collection and analysis of data are now under way; the study should be completed by July 1, 1954. Leader: Kenneth Naden at U.C.L.A.

California: THE FINANCIAL STRUCTURE OF CALIFORNIA AGRICULTURE.- This study is intended to develop a balance sheet for California agriculture, and to use it as a tool in analyzing certain financial problems, including the use of agricultural credit, farm financial management, and credit requirements for operators who are starting in farming. Leader: Irving F. Davis, Jr.

Georgia: CAPITAL PRODUCTIVITY AND ACCUMULATION IN AGRICULTURE IN THE PIEDMONT IN GEORGIA.- A study of the effects of changes in farm tenure, in farming technology, and in other factors, upon incomes and rates of capital accumulation by Piedmont farm families, with emphasis upon capital requirements of these changes and ways of financing them. Leader: W. E. Hendrix.

Illinois: CAPITAL ASPECTS OF SOIL CONSERVATION AND LAND IMPROVEMENTS.- The aim is to determine the extent to which financing is a limiting factor in movements in this direction. Leaders: L. J. Norton, R. F. Hacker.



Illinois: THE OWNERSHIP OF UNALLOCATED ACCUMULATED FUNDS IN COOPERATIVE GRAIN ELEVATORS.- This is a pilot study to determine problems included in determination of distribution of ownership of such funds in typical cooperative elevators. Leaders: R. J. Mutti, C. P. Schumaier.

Indiana: THE IMPACT OF AGRICULTURAL TECHNOLOGY ON FARM LAND APPRAISAL TECHNIQUE.- Objectives are: (1) To analyze procedures now used by lending institutions in appraising farm real estate and to determine the major weaknesses and limitations of these procedures in view of technological changes taking place in agriculture; and (2) to develop improved techniques for appraising farm real estate that will give adequate recognition to the impact of new technologies on the earning capacity of farms having various characteristics with respect to size, soil, improvements, location, and other factors. Leader: H. G. Diesslin.

Indiana: FARM REAL ESTATE VALUES AND THE FARM REAL ESTATE MARKET IN INDIANA.- Designed: (1) To relate the history of land values in Indiana, for the State and by geographic regions, to quality of land and other factors; (2) to relate the characteristics of the land market to these factors for the State as a whole, on the basis of ARS data; (3) to describe the characteristics of the land market in detail on the basis of transfer records in six counties from 1941 through 1950; and (4) to describe the mortgage-debt structure of Indiana farms. Leader: H. G. Diesslin.

Indiana and Farm Credit Administration: TYPES OF AGRICULTURAL CREDIT REQUIRED TO FACILITATE NEEDED ADJUSTMENTS IN AMERICAN AGRICULTURE.- Designed to determine the extent and the geographic location of the need for intermediate-term farm credit, to determine the extent to which credit institutions are presently providing this type of credit, and to determine whether and how existing credit institutions can adjust their operating techniques to provide the capital needed to facilitate agricultural adjustments of an intermediate-term character. Leaders: R. C. Engberg, Farm Credit Administration; E. L. Butz, H. G. Diesslin, L. E. Kreider, Purdue University.

Indiana: MARKETING AND FINANCING INDIANA'S POULTRY CROP.- Intended to determine the effects of financing arrangements on production and marketing practices, channels used, prices received, and quality of poultry sold, with special reference to broilers and turkeys. Leaders: R. L. Kohls, H. G. Diesslin.

Indiana, Georgia, and Farm Credit Administration: FINANCING THE DIVERSIFICATION OF AGRICULTURAL PRODUCTION IN THE SOUTH.- Aims are: (1) To determine the extent to which typical farmers in the area can accomplish desirable diversification and adjustment in their farming operations on a sound economic basis - to what extent and under what circumstances increased income will justify the necessary capital expenditures based on realistic assumptions of the probable future price level; (2) to determine the role of all sources of financing (farmers' own capital, credit, and ACP payments and other Government services)



in accomplishing desirable diversification and adjustment. Leaders: R. C. Engberg, Farm Credit Administration; R. E. Proctor, University of Georgia; J. H. Atkinson, E. L. Butz, and H. G. Diesslin, University of Indiana.

**Kansas: AGRICULTURAL CREDIT AND FINANCE.-** Study of needs, sources, and use of long- and short-term credit in agriculture. Also farmers' knowledge of sources of credit available, costs of such credit, and terms of repayment. Continuing study of trends in values of farmland with improvements and farmland not tillable, by type-of-farming areas in Kansas, also the effect of income per acre upon land values. Data from the Federal-State Statistician's Office and the agricultural census are used to calculate these values. Studies to determine cost and returns as a result of farm improvements such as soil and water conservation practices, with emphasis upon credit needed and availability of credit for such practices. A study of quality of land most frequently sold in a few counties in Kansas is under way with emphasis upon relationship between quality, sale price, and assessed value for taxation purposes. Leader: Merton L. Otto.

**Louisiana: FARMERS' COOPERATIVE BUSINESS ORGANIZATIONS IN LOUISIANA.-** A survey of farmers' cooperative business organizations in Louisiana, including membership, marketing agreements, volume of business, financing, and annual directory by type of organization. Leader: Bueford M. Gile.

**Louisiana: FARM REAL ESTATE TRANSFER PRICES AND FAMILY FARM FINANCIAL SITUATION.-** To determine the level of prices paid in the transfer of farm real estate in Louisiana; the availability of farm real estate for enlargement of small farms to an economic size; and the financial progress of selected farm owner-operators with a high ratio of debt to owned assets. Leaders: Bueford M. Gile, Alvin Harper.

**Maryland: RURAL COOPERATIVE CREDIT.-** To determine the amount and kinds of credit extended to farmers and rural people by cooperative credit institutions such as: Production Credit Association, National Farm Loan Association, and Credit Unions, and the purposes for which this credit is used; to determine the extent to which these agencies are meeting the needs for credit in the areas in which they operate; to ascertain opinions and reactions of farmers regarding the services of various credit institutions; to determine the extent to which rural cooperative institutions may extend their services and whether other forms of credit might be needed to serve farmers adequately. Leaders: P. R. Poffenberger, W. P. Walker.

**Minnesota: SHORT-TERM AGRICULTURAL LOANS OF MINNESOTA RURAL BANKS.-** Aims to determine the characteristics, volume, and quality of short-term agricultural loans made by selected rural banks; to explore differences in loaning practices among banks in different type-of-farming areas; to determine the importance of farm-production loans in loan portfolios of banks; and to outline methods of expanding and improving the commercial banks' credit services to Minnesota farmers. In 1953-54

particular emphasis is being placed on an analysis of the farm-machinery loans made by a representative sample of 56 rural banks in Minnesota. Leaders: E. Fred Koller, Reynold P. Dahl.

Mississippi: AN ANALYSIS OF THE PRACTICES AND CHARGES OF SELECTED CREDIT AGENCIES IN MAKING LOANS TO MISSISSIPPI FARMERS.- To appraise policies and practices of selected lending institutions such as insurance companies, production credit associations, national farm loan associations, and commercial banks. It is hoped that, by seeking answers to such problems as borrower qualifications, purposes for which loans are made, including renewals, the time periods involved, and various security requirements, some appraisal of the availability of credit to farmers in Mississippi can be made. Leader: Edward E. Kern, Jr.

Nebraska: FARM FINANCE PROBLEMS AS RELATED TO ADJUSTMENTS IN FARMING SYSTEMS IN NORTHEASTERN NEBRASKA.- This study will analyze the year-by-year capital requirements, associated with adjustments in crop and livestock production on a case farm in northeastern Nebraska. A comprehensive study of crop and livestock alternatives in this area has already been made. Based on six assumed capital-tenure positions, an attempt will be made to assess the extent and terms of capital which might be borrowed from the various credit agencies in the area for adjustments on this farm. Leaders: A. W. Epp, H. W. Ottoson, W. G. Eichberger.

New Hampshire: ACQUIRING CAPITAL FOR FARMING.- An analysis of the capital needed by young men to enter the business of farming and the possibilities of their acquiring this capital. Leader: W. K. Burkett.

North Carolina: ECONOMIC ANALYSIS OF CAPITAL REQUIREMENTS AND CREDIT PRACTICES ON POULTRY FARMS IN TYPE-OF-FARMING AREA 12.- The objectives of this project are: (1) To determine the organization of poultry farms (hatching eggs), including the level of resources on farms and the capital position of the farm operators; (2) to determine the physical input-output relationships in production of hatching eggs; (3) to determine the fixed and variable capital requirements for poultry enterprises of different sizes; (4) to analyze credit practices on poultry farms, including amount of credit, sources, cost, and security offered in relation to capital requirements and returns to capital; (5) to appraise credit practices in relation to decision-making at the farm level as influenced by the risk element associated with both the production and marketing practices used. Leader: H. B. James.

North Carolina: FAMILY-TYPE FARM RESEARCH PROJECT.- A cooperative undertaking by the North Carolina Agricultural Experiment Station, Farmers Home Administration, and the North Carolina Rural Rehabilitation Corporation. Objectives: (1) To make an adequate determination as to what constitutes an efficient family-type farm-management unit; (2) to determine the expenditures of funds that would be required to accomplish most efficiently an adjustment of land and family resources of family-type farms; (3) to ascertain the conditions under which credit should be extended in a farm-adjustment program; and (4) to ascertain the amount of funds required to enable qualified farm families to carry on

successful farming operations and maintain decent standards of living from farm income with proper planning and the use of modern technology. No limit is placed upon the funds to be loaned to an individual family. Amount actually loaned is based largely upon the objectives of the study and the managerial ability displayed by the farm family. Virtually all the capital required to buy, develop, and operate a farm is loaned to the family in several instances. Funds are provided by the Rural Rehabilitation Corporation. Farmers Home Administration representatives supervise farm operations and the details of credit, advancement, and collection. The Experiment Station carries out most of the planning and analysis of the farm selected, making full use of tested technical improvements developed by the Station. Leader: Q. W. Lindsey.

North Dakota: FARMERS' ACCESS TO CAPITAL AND LAND VIA CREDIT AND TENURE ARRANGEMENTS.- Aims to explore the comparative merits of various avenues to ownership or managerial control of farmland and capital resources under existing credit, tenancy, and inheritance arrangements; to evaluate the adequacy of present avenues to farm resources in the light of current and prospective capital requirements and production and price risks under North Dakota conditions, and to develop practical proposals for improving the conditions of accessibility to farm resources in line with current capital requirements and future income uncertainties - to the mutual interest of individual farmers, creditors, landlords, and the community. Leader: B. H. Kristjanson.

Oklahoma: FARM FINANCIAL NEEDS AND FINANCE PROBLEMS OF OKLAHOMA FARMERS.- The study will examine the capital structure and capital needs of different types of farming in Oklahoma as indicated from farm-account and other farm-management records available in the Department of Agricultural Economics of the Oklahoma Agricultural and Mechanical College and from supplementary survey records. Another segment of the project will study applications received and loans made by lending agencies to determine availability and costs of the various types of credit, the extent to which the needs are being met, and will evaluate the possibilities and impediments in dealing with the problem elements in farm financing. Preliminary to the second segment of the study, a reconnaissance survey is to be made as a basis for tentative evaluation of the types, the relative importance, and the geographic and functional incidence of farm finance problems. Leader: Geoffrey P. Collins.

Oregon: USE OF CREDIT ON NEWLY IRRIGATED FARMS, NORTHERN JEFFERSON COUNTY, OREGON, 1949-51.- One phase of a 5-year study of farm organization and land-use adjustments. Covers 61 farms during the first 3 years of development under irrigation. Amount of credit used, capital structure, purposes for which credit used, sources of credit used, and size and number of loans. Leader: C. V. Plath.

South Dakota: THE FARM CREDIT SITUATION IN SOUTH DAKOTA.- An analysis of past and present sources, terms, uses, and repayments of farm credit in South Dakota and development of recommendations for farmers and government to increase efficiency in farm-credit situation. Leaders: M. Myers, A. Clark.

Tennessee: A STUDY OF THE NEEDS FOR, AND ADEQUACY OF, AGRICULTURAL CREDIT IN TENNESSEE.- The study is now limited to Lauderdale County but it is expected that it will be expanded to include other counties. Availability of credit as related to collateral, tenure status of the borrower, and use of credit, as well as its cost, and farmers' willingness to borrow money in the amounts needed for sound farm business methods are to be studied. The project focuses particularly on the credit needs for adjustment from a cotton to a livestock type of farm, and for farm enlargement. Leader: R. G. Spitze.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT.- The credit aspect of the problem is to be investigated and analyzed. This is a study of agricultural adjustment in respect to outmigration in Weakley County, Tenn. Leader: J. A. Martin.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT IN WHICH THE CREDIT ASPECT OF THE PROBLEM IS BEING INVESTIGATED AND ANALYZED.- A study of farm enlargements as related to industrial employment of farm-reared people in Lincoln County, Tenn. Leader: R. B. Hughes.

Tennessee: FINANCING ASPECT OF AGRICULTURAL ADJUSTMENT.- A study of agricultural adjustment in Haywood County, Tenn. Leader: Thomas J. Whatley.

Vermont: COST OF SHORT-TERM CREDIT.- Aims to study the cost to farmers and the amount of short-term credit obtained by them from various sources. Bulletin 571, "Financing Vermont Dairy Farms," recently published. Leader: R. P. Story.

Virginia: EVALUATION OF BROILER-FINANCING METHODS IN VIRGINIA.- This project deals with the present financing methods used by the broiler industry in the major broiler-production areas of Virginia. It provides information as to where broiler producers obtain credit, the terms under which credit is obtained, the extent to which credit influences marketing methods, rate of movement and outlets, and the relation of resources used to the total quantity of broilers produced. Data are to be obtained from a random sample of producers and of dealers engaged in supplying broiler producers. This study is a project contributing to the Broiler Marketing work of the Southern Regional Poultry Marketing Committee. Active participants in the Broiler Marketing subproject are the Experiment Stations of Georgia, Mississippi, South Carolina, and Virginia, and the Agricultural Research Service. Leader: John T. Buck.

Washington: CAPITAL AND DEBT AS RELATED TO THE COLUMBIA BASIN PROJECT AREAS.- This project is intended to develop information relating to alternative procedures for capital investment needed to develop farms in the Columbia Basin area. To determine the kinds and amounts of farm credit needed during the development period for representative farms under different time rates of resource development. Leader: B. D. Parrish.



Wisconsin: WISCONSIN LAND TENURE.- A study of the factors affecting land tenure in Wisconsin with particular emphasis on those that limit opportunities for young people to become established in farming. Leaders: Raymond J. Penn, K. H. Parsons, C. W. Loomer (Agricultural Economics), and Jacob H. Beuscher (Law School).

ARS: CAPITAL REQUIREMENTS OF AGRICULTURE.- This project is designed to measure and to analyze by regions the growth of capital used by farmers in the United States since 1870; to identify the sources of savings that made the growth possible and to gain further knowledge of the conditions under which such growth has occurred. Attention is being given to trends in the relationship of farm capital to items which include farm labor, gross farm income, and farm output. The study is being made in cooperation with the National Bureau of Economic Research, in connection with its study of capital requirements of the American economy. Leader: A. S. Tostlebe.

ARS: CHARACTERISTICS OF FARM-MORTGAGE CREDIT.- An analysis of farm-mortgage credit in relation to ratio of debt to value, size and value of farm, type of lender, interest rates, and State and geographic area. Data for the analysis are to be taken from the agricultural censuses and the cooperative Census-BAE farm-mortgage surveys of 1945 and 1950. Leaders: R. W. Bierman and M. M. Taylor.

ARS: IMPROVEMENT OF CURRENT ANNUAL ESTIMATES OF FARM-MORTGAGE DEBT.- Estimates of farm-mortgage loans held by principal lender groups will be developed for current year, by States, and techniques for estimating annual changes in farm-mortgage debt improved where possible. Estimates will be developed of amount of farm-mortgage debt owed to farmers in 1950 and of 1950 distribution of farm-mortgage debt held by major lenders, by tenure of operator of mortgaged farm. These latter estimates will be based on data obtained in the 1950 cooperative Census-BAE farm-mortgage survey. Leaders: R. W. Bierman and M. M. Taylor.

ARS: EFFECT OF FINANCING METHODS ON MARKETING OF BROILERS.- Aims to supplement studies of broiler marketing by determining the effects of financing arrangements and sources of credit on the number, quality, and prices of broilers marketed, on marketing agencies used, and on marketing practices and returns. Leaders: F. L. Garlock and R. J. Becker.

ARS: ANNUAL CHANGES IN FINANCIAL STRUCTURE OF AGRICULTURE.- Under this project annual consolidated balance sheets covering all farms in the United States will be prepared and analyzed in relation to their significance for the farmer and the economy as a whole. Leaders: N. J. Wall, F. L. Garlock, L. A. Jones, R. W. Bierman, and W. N. Scofield.

ARS: NON-REAL-ESTATE DEBT OF FARMERS.- Designed to maintain a series showing the amount of non-real-estate debt of farmers and to determine the characteristics and terms of credit extended by the major lenders. Leader: L. A. Jones.



ARS: NON-REAL-ESTATE AGRICULTURAL CREDIT FACILITIES IN THE UNITED STATES.-

Aims to study the major types of non-real-estate credit institutions with particular reference to organization, financial structure, and nature and effectiveness of operations. Leaders: F. L. Garlock, L. A. Jones.

ARS: ESTIMATES OF UNITED STATES SAVINGS BONDS OWNED BY FARMERS.- Designed to determine for the farm population the amount of United States savings bonds bought during given periods, rates at which bonds are cashed, and value of bonds owned. Leader: L. A. Jones.

ARS (In cooperation with various States): FINANCIAL STATUS OF INDIVIDUAL FARMERS.- Aims to determine through area surveys the distribution of farmers according to their financial status, including net worth, liquid assets, and debts. In addition, the surveys would provide much of the previously unavailable data needed for preparing State balance sheets of agriculture. Leaders: F. L. Garlock, L. A. Jones.

ARS: FLOW OF BANK DEPOSITS AND EFFECT UPON LOANS OF COUNTRY BANKS.- The objective is to measure the flow of bank deposits from or to agricultural areas and to determine the effects of changes in deposits on the lending power of banks in agricultural areas. Leader: F. L. Garlock.

#### AGRICULTURAL RISKS AND INSURANCE

Indiana: INSURANCE NEEDS OF INDIANA FARMERS.- This is a followup to INSURANCE PRACTICES OF INDIANA FARMERS. It is designed to determine the adequacy of farm insurance programs presently carried in relation to certain personal and financial characteristics. This appraisal will be used in formulating guides as to the type and amount of insurance farmers should carry to minimize business risks and for personal and family protection based on their business and personal family situations. Leaders: H. G. Diesslin, G. F. Greenfield.

Maryland: ECONOMIC AND SECURITY ASPECTS OF RURAL FIRE PROTECTION AND PREVENTION IN MARYLAND.- Aims to determine the factors that limit local rural fire companies in providing maximum effective protection to rural property; to measure the actual and potential reduction in fire insurance rates on rural property by reason of adequate fire protection and proper fire-prevention measures; to study the possibility of better coordination between public fire-protection facilities for rural areas and facilities of volunteer firemen's associations; to appraise public responsibility for financial support of local fire-protection facilities and probable benefits from certain public control of such; to determine policy of local rural fire departments with respect to rules of procedure in case of eventual war and possible atomic attack necessitating evacuation of urban centers. Leaders: W. P. Walker, F. E. Hulse.

Maryland: FACTORS AFFECTING THE COST OF CERTAIN KINDS OF INSURANCE TO FARMERS.- Objectives are to determine methods whereby farmers might obtain maximum risk coverage relative to premium costs; to compare the

desirability of comprehensive insurance policies versus single-risk policies; to investigate the practical use of a larger number of risk factors in fire insurance rate determination; to ascertain the trends in amounts of protection relative to premiums paid for different kinds of insured risks; to determine the underlying causes of underinsurance and overinsurance of farm risks. Leaders: W. P. Walker, P. R. Poffenberger, F. E. Hulse, I. W. Rust.

Montana: THE ECONOMICS OF GRAIN AND FORAGE STORAGE.- Designed to analyze the effects of variability in production of grain and forage on farm income; to determine the potentialities and limitations of storage as a means of reducing instability due to variations in yield; to develop a recommended storage program, private or public; to relate storage to other devices for reducing instability in farm and ranch income. Leader: Layton S. Thompson.

Montana: NATIONAL AGRICULTURAL POLICY IN RELATION TO MONTANA AGRICULTURE.- The following phases of this study deal directly with agricultural risks: (1) Listing and describing the peculiar characteristics of Montana agriculture - climatic risks, alternative uses for resources, price risks, optimum size and type of farms compared with existing sizes and types, and capital requirements; (2) study of the economic impact of weather and price risks on the farm enterprise. Leader: Maurice Taylor.

New York: INSURANCE PROGRAMS OF NEW YORK FARMERS.- An analysis and evaluation of current insurance practices of farmers. Leaders: G. W. Hedlund, John R. Tabb.

North Dakota and ARS: WEATHER AND RELATED RISKS AND THEIR IMPACT ON FARM ORGANIZATION AND INCOME IN THE NORTHERN GREAT PLAINS.- The objectives of this project are to appraise the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis upon the uncertainty of farm income and its effect upon resource utilization and economic stability of Great Plains agriculture; to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leaders: North Dakota, Rainer Schickele, Phil Thair; ARS, Ralph R. Botts.

Pennsylvania: AGRICULTURAL INSURANCE.- General objectives: (1) To determine the nature and relative importance of insurable farm risks facing Pennsylvania farmers and to appraise the economic feasibility of shifting these risks through insurance by farmers in various personal and economic situations; (2) to evaluate present insurance programs and practices of Pennsylvania farmers with respect to kinds, amounts, and costs of protection against various insurable risks; (3) to appraise new types of insurance coverages as they are made available and to suggest additional types of coverages which may be needed by farmers. If approved, work on this project will be initiated early in 1954. Leaders: L. F. Miller, Sidney Ishee.

Texas: FARM MUTUAL PROPERTY INSURANCE IN TEXAS.- Intended to evaluate the management practices of farm mutual insurance organizations in Texas, particularly in terms of efficiency and to analyze the law as it applies to farm mutual insurance in Texas. Leader: J. Wheeler Barger.

ARS: FARMERS' MUTUAL FIRE AND WINDSTORM INSURANCE IN THE UNITED STATES.- Objectives are to study the operating practices of farmers' mutual fire (including crop-hail) and windstorm insurance companies from the viewpoint of their improvement; to prepare summaries of the number of such companies, their outstanding insurance, and the amount of their premiums or assessments, losses paid, operating expenses, and safety funds, by States; and to analyze currently the problems and trends in such insurance, as indicated by special surveys. In 1954, particular attention will be given to improving the farm mutual insurance series. Leaders: Ralph R. Botts, John C. Ellickson.

ARS: ACCIDENT PREVENTION AND CASUALTY INSURANCE.- This study is designed to determine the more common causes of farm accidents and means of prevention; to determine farm-accident costs, both direct and indirect; and to study existing accident, hospital, surgical, public liability, employer liability and workmen's compensation insurance coverages with respect to adequacy in meeting farmers' needs and equity of cost among farmers; and to prepare safety material for use in local accident-prevention programs and in schools. Leaders: John D. Rush, John C. Ellickson.

ARS: ORGANIZED RURAL FIRE PROTECTION IN THE UNITED STATES.- Designed to follow developments in the field of organized farm fire protection; to analyze new legislation in this field; to ascertain what financial and other arrangements are involved between farmer groups and towns, which usually provide or cooperate in providing farm fire protection; and to measure the effectiveness of rural fire-protection services as shown by farm mutual fire insurance experience in areas having various degrees of rural fire protection. Leader: John D. Rush.

ARS: RISK AND RISK-BEARING IN AGRICULTURE.- Objectives are to study the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis on the uncertainty of farm income; to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leader: Ralph R. Botts.

ARS: FARM FIRE LOSSES.- This study is designed to maintain a series showing the annual amount of farm fire losses in the United States, and to analyze survey data to ascertain the frequency, severity, and causes of farm fires by classes of property, size of farm, and tenure, for broad geographic areas. Leaders: Ralph R. Botts, John D. Rush.

## FARM TAXATION, LOCAL GOVERNMENT, AND PUBLIC FINANCE

Alabama: FARM TAX ASSESSMENTS IN THE SOUTHEAST.- Aims are to determine farm tax assessment trends since the beginning of World War II, and to compare assessment trends and ratios of assessed and "true" values among States, taxing units, and individual farmers. Project proposed as subproject under regional project (S-11) to be conducted in cooperation with the Southeast Land Tenure Committee. Still in planning stage and no active work is yet under way.

Connecticut: RURAL LAND AND FARM PROPERTY TAXATION IN CONNECTICUT.- Aim is analysis of classification, assessment, and tax rates applied to rural land in Connecticut and appraisal of steps and alternative procedures for meeting certain objectives in tax reform. Leader: Harold G. Halcrow.

Connecticut: STATE-LOCAL FISCAL RELATIONSHIPS.- Purpose is to describe current allocations of tax money among State and local municipalities and to compare alternative methods and formulas for allocating State revenues among towns and school districts. Leader: Harold G. Halcrow.

Illinois: COST OF LOCAL GOVERNMENT SERVICES.- The objectives of this project are to provide information to enable local government units in Illinois to become more effective and efficient, particularly in rural areas; to prepare materials for local officials for use as a reference in the administrative functions of local government; and to keep township and county officers informed on matters of current interest which relate to legislation, finances, costs, and procedures. Fourteen countywide educational meetings have been held throughout the State for local officials. Each month a newsletter is sent to 10,000 county and township officials in Illinois. Leader: N. G. P. Krausz.

Illinois: HANDBOOK FOR ILLINOIS TOWNSHIP OFFICIALS.- A handbook is ready for publication containing information on assessments, tax levies, audits, records, budgeting, and other subjects of interest to these officials. This is a digest of laws, interpretations, suggested procedures, and important court decisions. Leader: N. G. P. Krausz.

Indiana: EFFECTS OF LAND USE ADJUSTMENTS UPON STATES AND LOCAL GOVERNMENTAL COSTS IN SOUTHERN INDIANA.- Objectives are to delineate areas that contribute little tax revenue in relation to the cost of governmental services provided; to determine costs of government and sources of revenue in these areas; to ascertain probable cost of purchasing such areas for forestry and recreational uses; to find out to what extent governmental efficiency can be improved by purchase of such areas; and to determine in what way and at what prices purchases should be made. Leader: J. B. Kohlmeier.

Iowa: VALUATION OF FARM REAL ESTATE FOR TAX ASSESSMENT.- Aim is to study methods that may prove helpful to assessors in improving farm real



estate assessments. Special emphasis is to be given to use of soil-survey maps and data in arriving at assessed values. Ratios of assessment to sale value are to be studied. Leader: W. G. Murray.

Kansas: STUDIES IN LAND TAXATION, LAND TENURE, LAND VALUES, AND RELATED PROBLEMS.- Objective is to investigate land taxation and related public finance problems pertaining to (1) assessment of property for taxation purposes, (2) attainment of an equitable distribution of the total tax load, and (3) administration of all taxes, including the general property tax, saletax, income tax, and others. Leader: Wilfred H. Pine.

Maryland: RECENT TAX CHANGES IN MARYLAND AND THEIR EFFECT ON FARMERS' TAX OBLIGATIONS.- Objectives are to determine trends in assessed-to-sales ratios of farm and nonfarm real estate; to compare the impact of property taxes as an alternative to State allocations for county functional purposes; to determine recent trends in farmers' tax liabilities; to review the State and local tax pattern and to suggest necessary adjustments to bring about better distribution of the State and local tax burdens. Leader: W. P. Walker.

Maryland: CONSERVATION AND ECONOMY IN RURAL TRANSPORTATION OF PERSONS, SUPPLIES, AND FARM COMMODITIES.- Objectives are to determine those practices in motor-vehicle use that increase efficiency of such vehicles in rural transportation; to study the feasibility of, and savings from, coordination of rural truck routes in collecting agricultural products and delivering supplies to rural communities; to explore the possibilities of modifying school bus transportation, in conjunction with rural school consolidation, to increase efficiency; to recommend a plan of motor-vehicle operation, together with a local rural-road program, which will make maximum use of motor-vehicle equipment and facilities, and make the greatest possible savings of materials for national emergency preparedness. Leader: W. P. Walker.

Massachusetts: A STUDY OF FARM REAL ESTATE TAXATION, METHODS OF TAXATION REFORM, AND THE EFFECT OF SUCH MEASURES ON FARM INCOME.- Designed to develop for local tax purposes standards of objectivity applicable to the value of Massachusetts farmland; to test the usefulness of the Soil Conservation Service land use capability maps (for mapped Massachusetts farms) as a basis for fixing valuations. Leaders: A. A. Brown, Robert Fitzpatrick.

Mississippi: COUNTY REVENUES AND EXPENDITURES IN MISSISSIPPI, 1952.- Intended to portray in concise and understandable form the sources of revenue and purposes of expenditures by counties in Mississippi and to provide data which, together with similar data to be accumulated in succeeding years, will reveal trends in county revenue and expenditures. Leader: Gordon K. Bryan.

Missouri: THE RELATIONSHIP BETWEEN THE ASSESSED VALUE AND SALES VALUE OF FARMLAND IN SELECTED COUNTIES IN MISSOURI.- Tax rates and total tax payments are included. Leader: Frank Miller.



Montana: VALUATION OF LAND FOR TAX PURPOSES IN MONTANA.- Designed to provide a basic standard for valuation of agricultural land for tax purposes in Montana, and to outline a method for making modifications in this standard to conform to changes in farm prices, farm costs, crop yields, or tax levies. Leaders: M. M. Kelso, Layton S. Thompson.

Nebraska: LAND AND BUILDING CLASSIFICATION AND VALUATION FOR TAXATION PURPOSES.- (1) Saunder County phase. Analysis of the relationship of soil productivity, condition of farm buildings, and farm location to the assessed and sale value of farms. The study, which is nearing the publication phase, is based on a random sample of 100 farms located in 3 soil areas in the county. Leaders: Howard W. Ottoson, Norris Anderson, Burbank Kristjanson. (2) Harlan County phase. Impacts of Reservoir Development on County Tax Structure. Analysis of changes in tax revenues resulting from construction of Harlan County Dam. Leaders: Norris Anderson, Harold Peterson.

Nebraska: TAXES IN NEBRASKA.- Analysis of State and county tax structure in Nebraska. Revenue requirements and sources are analyzed. Leaders: L. Kaye Gauger, Kris Kristjanson.

Nebraska: LAND SALES AND ASSESSED VALUES IN NEBRASKA, 1930-52.- The report shows: (1) The trend in prices of Nebraska farmland from 1930-52. (2) The relationship between prices and assessed value of land. (3) Compares prices and volume of sales from county records with other estimates of land value and volume of transfers. Leaders: John Muehlbeier, Agricultural Research Service; Kris Kristjanson, L. Kaye Gauger, University of Nebraska.

New York: STATE AND FEDERAL AID TO LOCAL GOVERNMENT IN NEW YORK.- A study of the fiscal and administrative problems of New York local governments which are associated with State and Federal grants in aid. Leader: E. A. Lutz.

North Dakota: APPRAISAL OF THE RURAL TAX SITUATION IN NORTH DAKOTA.- Objectives are to provide a clear picture of the recovery of the State and local governments from the distress period of the 1930's and early 1940's, to isolate and formulate problems which emerge from sharp fluctuations in farm income as a result of poor or good crops and prices, and to determine alternatives for minimizing the impact of lower farm incomes in future on State and local governments, and to develop classification and assessment techniques designed to bring about an equitable distribution of the tax load. Leader: B. H. Kristjanson.

South Carolina in cooperation with Southeast Land Tenure Committee and ARS: FARM TAX ASSESSMENTS IN THE SOUTHEAST.- Designed to survey farm tax assessment practices in the Southeast and to appraise their effectiveness in terms of relationships to appropriate measures of value. Leaders: George H. Aull, Calvin C. Taylor.

Texas: THE TAX LOAD ON FARMS AND RANCHES IN TEXAS.- Designed to determine the amount of taxes levied on both real and personal property by each type of governmental unit. Leader: L. P. Gabbard.

Texas: CAUSES OF AD VALOREM TAX DELINQUENCY IN TEXAS.- Designed to determine the basic causes of ad valorem tax delinquency in Texas with a view to suggesting remedial measures. Leaders: L. P. Gabbard, R. G. Cherry.

Texas: FACTORS AFFECTING THE COLLECTION AND EXPENDITURE OF TAXATION REVENUES IN TEXAS.- Designed to determine the extent to which farm taxes in Texas may be reduced and governmental services improved. Leaders: L. P. Gabbard, R. G. Cherry.

West Virginia and ARS: TAXATION IN WEST VIRGINIA.- Objectives are (1) to investigate the operation of so-called severance taxes in States where they exist, and to appraise their usefulness for West Virginia; (2) to investigate the methods of property assessment used by certain States, particularly those bordering on West Virginia, and to suggest those features that might well be adopted by West Virginia. Leaders: West Virginia, W. W. Armentrout; ARS, Tyler F. Haygood.

Wyoming: UTILIZATION, VALUATION, TAXATION, AND CONTROL AND MANAGEMENT OF LAND IN WYOMING.- To analyze methods for correcting maladjustments in costs that exist between users of Federal and deeded lands. Leader: A. F. Vass.

ARS: FARM PROPERTY TAXES.- Objectives are the development and improvement of estimates of farm real estate and personal property taxes for the United States and for individual States and regions when possible. Leaders: Tyler F. Haygood, Ronald Bird, C. C. Taylor.

ARS: INCOME TAXES OF FARMERS.- Objectives are the development and extension of estimates of Federal and State income taxes paid by farmers for the United States and individual States when possible. Also to study Federal income tax problems faced by farmers. Leaders: Tyler F. Haygood, F. D. Stocker.

ARS: SALES TAXES AND EXCISES PAID BY FARMERS.- Aims are the development and improvement of estimates of general sales and special excises (gasoline, tobacco, etc.) paid by farmers for the United States and individual States when possible. Leader: Tyler F. Haygood.

ARS: THE FARMERS' TAX BURDEN.- An analysis of the economic significance of taxes levied upon farmers and agriculture, particularly with respect to an evaluation of the tax load of agriculture. Also an evaluation of changes in tax laws as they affect farmers in their production and marketing activities as well as their position in regard to assets. Leader: Tyler F. Haygood.

ARS: COSTS OF FEDERAL PROGRAMS RELATED TO AGRICULTURE.- An analysis of the net costs to the Federal Government of its activities related primarily to agriculture beginning with 1930. The study proceeds from a functional classification of these activities and attempts to illuminate the changing nature of Federal programs in this field. It also attempts to provide some data necessary for evaluating the effectiveness of these programs. Leader: F. D. Stocker.

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## STATISTICAL APPENDIX

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Table 1.- Farm-mortgage debt: Total outstanding and loans held by principal lenders, United States, selected dates, 1910-53 <sup>1/</sup>

Beginning of year or month	Total farm-mortgage debt	Loans held by principal lenders							
		Federal land banks <sup>2/</sup>	Federal Farm Mortgage Corporation <sup>2/ 3/</sup>	Joint-stock land banks <sup>2/ 3/</sup>	Farmers Home Administration <sup>2/</sup>	Life insurance companies <sup>5/</sup>	Commercial and savings banks <sup>7/</sup>	Three State credit agencies <sup>2/ 8/</sup>	Individuals and others
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	3,207,863					386,961	406,248		2,414,654
1920	8,448,772	293,595		60,038		974,826	1,204,383		5,915,930
1930	9,630,768	1,201,732		637,789		2,118,439	997,468	96,360	4,578,980
1935	7,584,459	1,947,442	616,737	277,080		1,301,562	498,842		2,876,760
1936	7,422,701	2,113,502	794,147	200,617		1,112,289	487,505	66,056	2,660,936
1937	7,153,963	2,147,768	841,251	162,786		1,015,615	487,534	39,969	2,459,040
1938	6,954,884	2,126,610	824,151	133,554		988,557	501,450	35,369	2,345,200
1939	6,779,318	2,088,478	774,377	114,992	10,218	982,939	519,276	31,872	2,257,166
1940	6,586,399	2,009,820	713,290	91,726	31,927	984,290	534,170	30,294	2,190,882
1941	6,493,527	1,957,184	685,149	73,455	65,294	1,016,479	543,408	29,317	2,123,241
1942	6,376,080	1,880,784	634,885	55,919	114,533	1,063,166	535,212	30,406	2,061,175
1943	5,956,458	1,718,240	543,895	37,015	157,463	1,042,939	476,676	28,794	1,951,436
1944	5,395,671	1,452,886	429,751	10,997	171,783	986,661	448,433	24,082	1,871,998
1945	4,940,915	1,209,676	347,307	5,455	193,377	938,275	449,582	19,872	1,777,371
1946	4,760,464	1,078,952	239,355	3,208	181,861	891,263	507,298	9	1,858,517
1947	4,896,970	976,748	146,621	1,641	189,300	888,665	683,229	9	2,010,766
1948	5,064,245	888,933	107,066	645	195,069	959,715	840,647	9	2,072,170
1949	5,286,331	868,156	77,920	462	186,893	1,036,383	900,843	9	2,215,674
1950	5,579,278	906,077	58,650	270	186,855	1,172,326	937,144	9	2,315,956
1951	6,071,345	947,431	44,008	0	214,047	1,355,766	1,008,359	9	2,501,734
1952	6,588,270	994,128	32,778	0	233,374	1,341,041	1,046,923	9	2,740,026
1953	7,154,038	1,071,358	23,899	0	257,936	1,715,164	1,125,058	9	2,960,623
July	---	1,127,114	20,710	0	258,565	1,812,000	1,148,647	---	---

<sup>1/</sup> Excludes Territories and possessions unless otherwise noted.<sup>2/</sup> 1930-53 includes regular mortgages, purchase-money mortgages, and sales contracts; before 1930, regular mortgages only. Mortgages in process of foreclosure were estimated for 1951 and 1952.<sup>3/</sup> Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans, except incidental to liquidation, expired July 1, 1947.<sup>4/</sup> Joint-stock land banks have been in liquidation since May 12, 1933. Includes banks in receivership.<sup>5/</sup> Data for 1939-41 include tenant-purchase loans. Thereafter, data include farm-development (special real estate), loans beginning 1942; farm-enlargement loans beginning 1944; project-liquidation loans beginning 1945; and farm-housing loans beginning July 1950. Data also include loans for these purposes from State Corporation trust funds.<sup>6/</sup> Estimates based upon direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," and monthly data from Life Insurance Association of America and Institute of Life Insurance. 1930-53 includes regular mortgages, purchase-money mortgages, and unpaid principal sales contracts; before 1930, regular mortgages only.<sup>7/</sup> Before 1935, open State and national banks; 1935-47, insured commercial banks; and 1948 to date, all operating commercial and savings banks.<sup>8/</sup> Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. Rural Credit Board completed liquidation during 1945.<sup>9/</sup> Included with "Individuals and others." <sup>10/</sup> Revised.Table 2.- Farm-mortgage interest rates: Average for loans held by all lenders and by principal lenders, United States, January 1, selected years, 1910-53 <sup>1/</sup>

Year	All lenders	Federal land banks and Federal Farm Mortgage Corporation	Life insurance companies	Other lenders				
				Banks	Individuals	Miscellaneous <sup>2/</sup>	Other lenders combined	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1910	6.0		5.5	6.2		6.0	6.5	6.1
1920	6.1	5.4	5.8	6.5		6.1	6.3	6.2
1930	6.0	5.4	5.7	6.5		6.1	6.1	6.2
1935	5.5	4.6	5.6	6.3	5.9		6.0	6.0
1936	5.1	3.9	5.6	6.2	5.8		5.8	5.8
1937	4.9	4.0	5.5	6.0	5.6		5.6	5.7
1938	4.7	3.7	5.3	5.8	5.5		5.4	5.6
1939	4.6	3.7	5.1	5.7	5.3		5.3	5.4
1940	4.6	3.7	4.9	5.5	5.2	5.1		5.3
1941	4.5	3.5	4.8	5.5	5.2	4.9		5.2
1942	4.4	3.5	4.8	5.4	5.1	4.8		5.1
1943	4.4	3.5	4.7	5.4	5.0	4.6		5.0
1944	4.4	3.5	4.5	5.3	5.0	4.4		4.9
1945	4.5	4.1	4.5	5.2	4.9	4.2		4.8
1946	4.6	4.2	4.4	5.2	4.9	4.3		4.8
1947	4.5	4.2	4.4	5.1	4.7	4.3		4.7
1948	4.5	4.1	4.3	5.1	4.6	4.3		4.7
1949	4.5	4.1	4.3	5.0	4.6	4.3		4.6
1950	4.5	4.1	4.3	5.0	4.6	4.4		4.7
1951	4.6	4.1	4.3	5.1	3/	3/		4.8
1952	4.6	4.1	4.3	5.2	3/	3/		4.9
1953	4.7	4.1	4.4	5.2	3/	3/		4.9

<sup>1/</sup> Contract rates, except on loans of Federal land banks, 1934-44, and Federal Farm Mortgage Corporation, 1935-45, which are included at temporarily reduced rates. 1941-52 revised series.<sup>2/</sup> Also includes Farmers Home Administration and joint-stock land banks.<sup>3/</sup> Data not available.

Table 3.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1953

State and division	Total 1/	Amounts held by principal lender groups						All operating banks 5/
		Federal land banks 2/	Federal Farm Mortgage Corporation 2/	Farmers Home Administration 3/	Life insurance companies 1/ 2/	Others 4/		
		1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	
Maine-----	22,578	2,801	199	1,588	438	17,552	5,306	
New Hampshire-----	21,460	1,754	60	182	5	19,459	2,724	
Vermont-----	38,323	6,791	110	762	1,050	29,610	16,042	
Massachusetts-----	47,145	6,068	307	505	720	39,545	11,924	
Rhode Island-----	4,992	757	47	34	34	4,120	2,456	
Connecticut-----	34,374	4,565	262	324	1,657	27,566	7,983	
New England-----	168,872	22,736	985	3,395	3,904	137,852	46,435	
New York-----	204,296	29,023	865	2,946	12,920	158,542	62,185	
New Jersey-----	73,121	8,094	442	2,038	12,525	50,022	9,457	
Pennsylvania-----	172,453	14,259	247	4,358	7,145	146,444	56,079	
Middle Atlantic-----	449,870	51,376	1,554	9,342	32,590	355,008	127,721	
Ohio-----	289,400	22,985	188	4,551	38,343	223,333	88,875	
Indiana-----	250,132	26,663	269	4,731	88,125	130,344	51,967	
Illinois-----	315,773	62,575	520	3,797	115,485	133,396	42,439	
Michigan-----	191,381	30,915	642	4,544	11,175	144,105	41,792	
Wisconsin-----	326,519	39,764	1,756	5,184	19,384	260,431	60,838	
East North Central-----	1,373,205	182,902	3,375	22,807	272,512	891,609	285,911	
Minnesota-----	316,427	58,455	1,452	7,446	82,810	166,264	52,748	
Iowa-----	520,937	94,134	642	6,163	230,683	189,315	60,486	
Missouri-----	220,177	26,681	777	12,282	85,233	95,204	41,465	
North Dakota-----	74,184	13,208	1,554	3,928	10,806	44,688	3,920	
South Dakota-----	106,122	38,297	623	3,478	38,289	25,435	4,406	
Nebraska-----	186,934	51,984	846	5,144	68,977	59,983	10,276	
Kansas-----	183,428	36,644	479	6,497	67,120	72,688	19,403	
West North Central-----	1,608,299	319,403	6,373	44,938	583,918	653,577	192,704	
Delaware-----	11,304	865	17	221	266	9,935	8,448	
Maryland 6/-----	70,706	5,359	116	1,828	4,691	58,712	20,511	
Virginia-----	99,181	9,566	166	4,446	13,160	71,843	30,043	
West Virginia-----	31,179	4,067	95	2,974	684	23,359	10,209	
North Carolina-----	140,367	17,933	525	10,337	14,319	97,253	28,220	
South Carolina-----	56,041	12,655	511	7,992	1,740	33,143	6,988	
Georgia-----	133,109	19,923	620	14,704	16,955	80,907	24,582	
Florida-----	113,478	10,859	542	3,705	33,270	65,102	9,767	
South Atlantic-----	655,365	81,227	2,592	46,207	85,085	440,254	138,768	
Kentucky-----	135,813	12,763	176	4,151	33,444	85,279	51,444	
Tennessee-----	112,865	12,603	220	7,493	19,201	73,348	33,925	
Alabama-----	101,613	23,675	337	13,825	6,779	56,997	16,039	
Mississippi-----	136,021	23,096	351	19,879	34,987	57,708	17,607	
East South Central-----	486,312	72,137	1,084	45,348	94,411	273,332	119,015	
Arkansas-----	116,536	12,701	357	11,735	44,020	47,723	13,330	
Louisiana-----	70,137	13,055	276	8,420	13,865	34,521	14,252	
Oklahoma-----	164,670	23,428	434	12,429	56,572	71,807	11,245	
Texas-----	532,160	112,244	2,079	20,179	220,168	177,490	32,076	
West South Central-----	885,503	161,428	3,146	52,763	334,625	331,541	70,903	
Montana-----	86,941	15,894	539	3,154	19,007	48,347	2,337	
Idaho-----	108,068	22,187	450	5,670	28,090	51,671	3,675	
Wyoming-----	53,911	8,833	170	2,435	21,267	21,206	1,654	
Colorado-----	151,469	17,624	229	3,103	43,924	86,589	5,588	
New Mexico-----	69,798	6,567	159	2,349	32,537	28,186	2,042	
Arizona-----	49,806	4,914	163	1,122	12,718	30,889	2,291	
Utah-----	52,449	7,399	271	3,996	5,608	35,175	7,925	
Nevada-----	17,722	1,571	33	505	5,226	10,387	958	
Mountain-----	590,164	84,989	2,014	22,334	168,377	312,450	26,470	
Washington-----	150,766	18,276	403	3,944	22,519	105,624	15,227	
Oregon-----	155,427	17,470	417	3,324	26,431	107,785	11,584	
California-----	632,345	59,414	1,956	3,534	90,792	476,649	90,320	
Pacific-----	938,538	95,160	2,776	10,802	139,742	690,058	117,131	
United States-----	7,154,038	1,071,358	23,899	257,936	1,715,164	4,085,681	1,125,058	

1/ Revised.

2/ Includes regular mortgages, purchase-money mortgages, and sales contracts. State distribution of loans in process of foreclosure estimated.

3/ Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans, and loans for these purposes from State Corporation trust funds.

4/ Estimated total loans held by all operating banks, individuals, and miscellaneous lenders. State estimates are approximate and should be used only as general indicators of the amount of mortgage debt held by this group.

5/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, are not strictly comparable by States with mortgage loans for other lenders, which are classified according to location of security or borrower.

6/ Includes District of Columbia.



Table 4.- Farm-mortgage loans held by all operating banks and insured commercial banks, by States, specified dates, 1952-53 <sup>1/</sup>

State and division	All operating banks <sup>2/</sup>				Insured commercial banks <sup>3/</sup>			
	1952		1953		1952		1953	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	4,968	5,048	5,306	5,507	4,054	4,183	4,653	4,975
New Hampshire	2,908	2,631	2,724	3,027	1,732	1,606	1,648	1,713
Vermont	15,985	16,042	16,042	16,294	10,409	10,364	10,178	10,466
Massachusetts	8,718	8,504	11,924	9,237	2,582	2,575	2,912	3,414
Rhode Island	2,194	2,354	2,456	2,386	1,898	2,019	2,122	2,051
Connecticut	7,349	7,489	7,983	8,227	3,761	3,882	4,073	4,113
New England	42,122	42,068	46,435	44,678	24,436	24,629	25,586	26,732
New York	40,424	41,270	62,185	43,786	32,657	33,421	34,084	35,546
New Jersey	8,351	9,154	9,457	9,757	8,296	9,102	9,256	9,440
Pennsylvania	52,172	54,643	56,079	57,881	51,496	54,005	55,140	57,075
Middle Atlantic	100,947	105,067	127,721	111,424	92,449	96,528	98,480	102,061
Ohio	85,194	87,292	88,875	89,874	80,454	82,484	83,951	84,894
Indiana	50,569	51,847	51,967	53,033	47,555	48,941	48,921	50,128
Illinois	39,717	41,076	42,349	43,003	39,560	40,869	42,282	42,886
Michigan	40,195	41,831	41,792	42,869	39,348	40,838	40,913	42,332
Wisconsin	57,165	59,359	60,838	62,394	56,332	58,488	59,945	61,719
East North Central	272,840	281,405	285,911	291,173	263,249	271,620	276,012	281,959
Minnesota	51,365	52,039	52,748	53,527	36,357	36,468	36,840	37,197
Iowa	61,479	61,916	60,486	59,302	56,895	57,157	55,938	55,054
Missouri	39,760	42,209	41,465	44,894	39,162	41,614	41,024	44,496
North Dakota	3,434	4,102	3,920	4,461	3,147	3,711	3,472	3,931
South Dakota	4,368	4,440	4,406	4,711	4,368	4,440	4,406	4,711
Nebraska	10,432	10,656	10,276	9,948	9,414	9,607	9,322	8,946
Kansas	19,970	20,827	19,403	19,815	16,994	17,895	16,663	17,072
West North Central	190,808	196,189	192,704	196,658	166,337	170,892	167,665	171,407
Delaware	7,683	8,458	8,448	8,961	7,316	8,022	8,012	8,493
Maryland	19,358	19,808	20,239	21,086	18,393	18,848	19,107	20,067
District of Columbia	192	267	272	174	192	267	272	174
Virginia	28,908	30,610	30,043	32,278	28,908	30,610	30,043	32,278
West Virginia	10,738	10,424	10,209	10,528	10,264	10,092	9,916	10,238
North Carolina	23,027	29,236	28,220	33,079	22,704	28,869	27,860	32,772
South Carolina	6,516	7,245	6,988	7,934	6,342	7,077	6,869	7,901
Georgia	22,714	26,771	24,582	29,036	21,919	25,991	23,989	28,433
Florida	9,079	9,158	9,767	11,332	8,992	9,059	9,700	11,244
South Atlantic	128,215	141,977	138,768	154,408	125,030	138,835	135,768	151,600
Kentucky	48,458	51,069	51,444	52,017	47,326	49,957	49,799	50,452
Tennessee	32,181	36,137	33,925	35,502	31,837	35,767	33,592	35,224
Alabama	15,379	17,119	16,039	17,840	15,379	17,119	16,039	17,840
Mississippi	15,786	19,730	17,607	20,769	15,666	19,586	17,486	20,696
East South Central	111,804	124,055	119,015	126,128	110,208	122,429	116,916	124,212
Arkansas	11,954	13,635	13,330	14,940	11,844	13,551	13,196	14,840
Louisiana	12,182	14,599	14,252	16,757	12,176	14,558	14,247	16,727
Oklahoma	10,856	11,701	11,245	11,644	10,461	11,246	10,743	11,244
Texas	29,355	31,512	32,076	31,898	28,875	31,030	31,451	31,313
West South Central	64,347	71,447	70,903	75,239	63,356	70,385	69,637	74,124
Montana	2,413	2,618	2,337	2,761	2,413	2,618	2,337	2,761
Idaho	3,590	3,805	3,675	3,679	3,524	3,727	3,509	3,679
Wyoming	1,602	1,718	1,654	1,869	1,602	1,718	1,654	1,869
Colorado	5,244	5,418	5,588	5,940	5,243	5,417	5,588	5,940
New Mexico	1,955	2,258	2,042	2,212	1,955	2,258	2,042	2,212
Arizona	2,127	2,413	2,291	2,540	2,117	2,399	2,282	2,535
Utah	6,996	7,901	7,925	7,922	6,996	7,901	7,925	7,922
Nevada	953	841	958	933	953	841	958	933
Mountain	24,880	26,972	26,470	27,856	24,803	26,879	26,295	27,831
Washington	14,876	15,291	15,227	15,678	14,519	14,911	14,810	15,230
Oregon	10,622	11,510	11,584	11,973	10,622	11,510	11,584	11,973
California	85,462	89,576	90,320	93,432	85,427	89,540	90,290	93,400
Pacific	110,960	116,377	117,131	121,083	110,568	115,961	116,684	120,603
United States	1,046,923	1,105,557	1,125,058	1,148,647	980,436	1,038,158	1,033,043	1,080,529
Possessions <sup>4/</sup>	4,483	4,923	4,830	5,986	2,275	2,819	3,457	3,946

<sup>1/</sup> Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders, which are classified according to location of mortgaged farm.

<sup>2/</sup> Includes national and State commercial, mutual and stock savings, and private banks.

<sup>3/</sup> Data for 1935 and subsequent intervening years available in earlier issues of the Agricultural Finance Review.

<sup>4/</sup> Alaska, Guam, Hawaii, Puerto Rico, and Virgin Islands.

Table 5.- Farmers Home Administration: Number and amount of loans outstanding, by types and by States, July 1, 1953

State and division	Loans to individuals										Loans to coop- eratives	Total loans
	Farm ownership 1/		Farm housing		Operating							
					Production and subsistence 2/		Disaster 4/		Emergency crop and feed			
	Borrowers	Amount	Borrowers	Amount	Borrowers 3/	Amount	Borrowers 3/	Amount	Borrowers 3/	Amount		
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	1,000 dollars	1,000 dollars
Maine.....	148	835	215	792	1,514	3,003	102	134	250	73	0	4,837
New Hampshire.....	25	153	12	39	407	1,040	4	13	29	5	0	1,250
Vermont.....	106	670	15	58	456	1,143	32	109	40	7	4	1,990
Massachusetts.....	54	393	18	89	164	325	19	100	11	3	0	910
Rhode Island.....	3	26	2	6	43	85	7	21	2	1	0	139
Connecticut.....	23	213	30	120	144	346	9	13	32	7	0	699
New England.....	359	2,290	292	1,104	2,728	5,942	173	390	364	96	4	9,826
New York.....	422	2,256	127	609	3,292	7,098	87	395	300	56	7	10,421
New Jersey.....	173	1,410	119	592	1,348	2,410	97	219	196	35	301	4,967
Pennsylvania.....	579	2,977	315	1,293	3,177	6,157	59	35	320	53	0	10,515
Middle Atlantic.....	1,174	6,643	561	2,494	7,817	15,665	243	649	816	144	308	25,903
Ohio.....	585	3,762	160	690	3,147	5,594	34	13	269	40	10	10,109
Indiana.....	491	3,503	241	1,136	2,664	4,769	37	21	282	43	0	9,472
Illinois.....	427	2,747	259	937	3,689	6,696	79	76	272	53	0	10,509
Michigan.....	476	2,941	355	1,535	4,944	8,078	120	294	852	122	0	12,970
Wisconsin.....	859	4,226	244	1,053	4,600	7,712	354	341	2,051	320	1	13,655
West North Central.....	2,838	17,179	1,259	5,351	19,044	32,849	624	745	3,726	578	13	56,715
Minnesota.....	1,291	6,458	247	977	5,044	10,660	147	66	2,603	644	27	18,832
Iowa.....	617	5,035	284	1,248	2,930	6,511	41	27	30	8	15	12,844
Missouri.....	1,664	9,674	709	2,483	6,354	10,041	3,976	6,917	1,352	191	0	29,306
North Dakota.....	417	3,149	154	887	5,504	7,456	2,755	1,935	10,662	6,406	165	19,998
South Dakota.....	307	2,696	174	869	8,024	9,090	1,237	924	6,510	3,432	0	17,011
Nebraska.....	423	3,843	315	1,325	3,034	6,655	60	48	1,018	339	98	12,308
Kansas.....	687	2,356	225	1,118	4,592	6,919	540	638	2,932	978	42	15,051
West North Central.....	5,406	36,211	2,108	8,907	35,512	57,332	8,756	10,555	25,107	11,998	347	125,350
Delaware.....	39	200	4	17	238	261	2	1	120	19	0	518
Maryland.....	198	1,241	113	561	2,035	2,624	30	20	889	172	0	4,618
Virginia.....	519	2,718	281	1,695	4,539	3,581	49	320	2,502	330	84	8,798
West Virginia.....	382	1,861	205	1,178	2,037	2,813	18	26	307	29	0	5,907
North Carolina.....	1,699	7,322	599	3,076	8,726	9,745	1,442	1,220	1,340	145	404	21,912
South Carolina.....	1,567	5,340	498	2,660	10,858	8,170	3,000	2,155	3,540	377	43	18,745
Georgia.....	2,755	10,325	960	4,252	13,465	12,499	2,096	2,297	4,167	393	196	29,962
Florida.....	402	2,166	293	1,561	5,505	5,257	192	643	1,867	237	174	10,098
South Atlantic.....	7,561	31,173	2,953	15,000	47,403	44,970	6,829	6,752	14,732	1,762	901	100,558
Kentucky.....	437	2,499	355	1,711	4,930	5,749	669	360	306	36	0	10,355
Tennessee.....	1,072	5,168	452	2,156	4,879	4,568	1,271	950	1,810	126	0	12,968
Alabama.....	2,317	9,532	812	4,209	9,994	9,613	2,297	1,819	1,108	142	320	25,635
Mississippi.....	3,244	16,196	905	4,436	13,821	12,201	3,563	5,391	2,409	251	9	37,484
East South Central.....	7,070	33,395	2,524	11,512	33,624	32,131	7,900	8,520	5,633	555	329	86,442
Arkansas.....	2,384	9,345	777	2,329	14,411	13,411	4,024	6,297	7,076	675	323	32,380
Louisiana.....	1,352	5,999	534	2,454	7,925	7,851	1,083	1,290	4,179	483	357	18,334
Oklahoma.....	1,539	8,523	868	3,766	10,551	16,418	3,334	2,676	1,596	225	10	31,638
Texas.....	2,308	14,275	941	4,223	20,215	27,550	7,227	13,244	9,425	1,847	271	61,510
West South Central.....	7,583	38,742	3,060	13,492	53,802	65,230	15,668	24,207	22,276	3,230	961	145,862
Montana.....	355	2,360	143	810	3,470	9,383	180	447	3,866	1,995	868	15,863
Idaho.....	458	4,170	282	1,646	3,172	7,438	97	289	313	108	542	14,193
Wyoming.....	198	1,843	115	616	2,496	6,339	84	336	809	306	176	9,616
Colorado.....	227	2,105	186	1,034	4,410	9,315	322	1,066	2,240	659	757	14,336
New Mexico.....	154	1,534	188	994	3,417	6,162	144	151	1,472	399	318	9,558
Arizona.....	69	761	77	507	860	2,021	25	22	262	60	268	3,639
Utah.....	287	2,772	232	1,299	2,021	4,075	93	344	231	70	758	9,318
Nevada.....	36	368	21	158	250	661	24	184	16	5	361	1,737
Mountain.....	1,784	15,913	1,244	7,064	20,096	45,394	969	2,839	9,209	3,602	4,048	78,860
Washington.....	300	3,020	176	1,123	4,674	8,485	170	626	3,009	1,238	797	15,289
Oregon.....	237	2,181	181	1,108	2,394	4,531	117	243	1,009	308	232	8,603
California.....	183	1,603	350	1,960	3,895	7,077	273	971	1,139	341	186	12,138
Pacific.....	720	6,804	707	4,191	10,963	20,093	560	1,840	5,157	1,897	1,215	36,030
United States.....	34,495	188,350	14,708	69,115	230,989	319,606	41,622	56,497	87,020	23,852	8,126	665,546
Possessions 5/.....	702	3,207	336	1,745	4,667	3,887	21	18	120	34	155	9,046

1/ As of April 1, 1953. On July 1, 1953 farm ownership loans outstanding in continental United States totaled \$189,450,523, and in possessions \$3,134,808. Includes tenant-purchase, farm-enlargement, farm development, and project-liquidation loans, and any such loans from State Corporation trust funds. Excludes insured loans.

2/ Also includes rural-rehabilitation, water-facilities, construction, and wartime-adjustment loans, and any such loans from State Corporation trust funds.

3/ Some duplication of borrowers exists if more than one type of loan was made to a single borrower.

4/ Also includes flood-damage, fur, orchard, and flood and windstorm-restoration loans, and loans made through RACC and transferred to FEA April 16, 1949, for liquidation.

5/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Table 6.- Federal land banks and Federal Farm Mortgage Corporation: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1935-53 1/

## FEDERAL LAND BANKS

Year and quarter	Loans outstanding at beginning of year or quarter	Decreases in loans			Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
		Principal repayments 2/ 3/	Other deductions (net) 3/ 4/	Total			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1935-----	1,915,792	41,991	50,547	92,538	248,671	156,133	2,071,925
1936-----	2,071,925	51,592	65,345	116,937	109,170	-7,767	2,064,158
1937-----	2,064,158	67,380	24,563	91,943	63,092	-28,851	2,035,307
1938-----	2,035,307	69,586	34,916	104,502	51,419	-53,083	1,982,224
1939-----	1,982,224	92,450	36,701	129,151	51,582	-77,569	1,904,655
1940-----	1,904,655	97,413	20,299	117,712	64,275	-53,437	1,851,218
1941-----	1,851,218	128,704	23,184	151,888	65,068	-86,820	1,764,398
1942-----	1,764,398	196,898	18,628	215,526	53,974	-161,552	1,602,846
1943-----	1,602,846	294,099	12,710	306,809	61,900	-244,909	1,357,937
1944-----	1,357,937	275,722	15,562	291,284	70,275	-221,009	1,136,928
1945-----	1,136,928	221,624	18,209	239,833	130,492	-109,341	1,027,587
1946-----	1,027,587	225,305	26,748	252,053	168,887	-83,166	944,421
1947-----	944,421	190,234	31,207	221,441	146,445	-74,996	869,425
1948-----	869,425	114,381	52,448	166,829	153,977	-12,852	856,573
1949-----	856,573	65,713	76,115	141,828	184,730	42,902	899,475
1950-----	899,475	72,714	87,211	159,925	206,919	46,994	946,469
1951-----	946,469	71,199	92,780	163,979	215,083	51,104	997,573
1952:-----	997,573	67,892	106,699	174,591	255,511	80,920	1,078,493
Jan.-Mar.----	997,573	19,506	24,876	44,382	67,586	23,204	1,020,777
Apr.-June----	1,020,777	14,885	26,024	40,909	66,572	25,663	1,046,440
July-Sept.---	1,046,440	15,350	22,104	37,454	53,145	15,691	1,062,131
Oct.-Dec.---	1,062,131	18,151	33,695	51,846	68,208	16,362	1,078,493
1953:-----							
Jan.-Mar.----	1,078,493	21,008	29,537	50,545	78,264	27,719	1,106,212
Apr.-June----	1,106,212	15,938	27,894	43,832	73,402	29,570	1,135,782

## FEDERAL FARM MORTGAGE CORPORATION 2/

Year and quarter	Loans outstanding at beginning of year or quarter	Principal repayments 2/ 3/	Other deductions (net) 3/ 4/	Total	Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1935-----	616,825	11,955	6,540	18,495	196,396	177,901	794,726
1936-----	794,726	23,556	11,650	35,206	77,258	42,052	836,778
1937-----	836,778	46,513	17,536	64,049	40,020	-24,029	812,749
1938-----	812,749	57,824	31,469	89,293	29,395	-59,898	752,851
1939-----	752,851	64,005	25,383	89,388	27,417	-61,971	690,880
1940-----	690,880	61,183	18,065	79,248	36,664	-42,584	648,296
1941-----	648,296	76,373	12,653	89,026	37,532	-51,494	596,802
1942-----	596,802	106,113	7,026	113,139	28,534	-84,605	512,197
1943-----	512,197	133,021	3,483	136,504	30,497	-106,007	406,190
1944-----	406,190	108,007	3,500	111,507	35,017	-76,490	329,700
1945-----	329,700	127,348	3,417	130,765	29,462	-101,303	228,397
1946-----	228,397	101,278	2,027	103,305	15,035	-88,270	140,127
1947-----	140,127	45,970	1,568	47,538	6/ 10,606	-36,932	103,195
1948-----	103,195	22,769	5,206	27,975	6/ 17	-27,958	75,237
1949-----	75,237	11,145	7,385	18,530	6/ 19	-18,511	56,726
1950-----	56,726	8,194	5,941	14,135	6/ 25	-14,110	42,616
1951-----	42,616	5,994	4,797	10,791	6/ 57	-10,734	31,882
1952:-----	31,882	4,808	3,741	8,549	6/ 41	-8,508	23,374
Jan.-Mar.----	31,882	1,350	934	2,284	6/ 12	-2,272	29,610
Apr.-June----	29,610	1,318	845	2,163	6/ 13	-2,150	27,460
July-Sept.---	27,460	1,068	764	1,832	6/ 7	-1,825	25,635
Oct.-Dec.---	25,635	1,072	1,198	2,270	6/ 9	-2,261	23,374
1953:-----							
Jan.-Mar.----	23,374	882	741	1,623	6/ 13	-1,610	21,764
Apr.-June----	21,764	800	677	1,477	6/ 14	-1,463	20,301

1/ Excludes purchase-money mortgages and sales contracts. Includes Puerto Rico. 2/ "Principal repayments" to the Federal Farm Mortgage Corporation include loans taken over by the Federal land banks, which loans in turn are included in "loans closed" by the land banks. 3/ Beginning July 1948, "principal repayments" include repayments of unmatured principal only; repayments of matured principal are included in "other deductions." 4/ Includes foreclosures, voluntary deeds, loans in process of foreclosure, etc., less increases in loans by reason of reamortizations, reinstatements, etc. 5/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Authority to make new loans expired July 1, 1947. 6/ Loans closed after July 1, 1947, represent refinancing of existing loans.

Table 7.- Federal land banks and Federal Farm Mortgage Corporation: Number of loans delinquent as percentage of number outstanding, by States, January 1, selected years 1930-53 1/

State and division	Federal land banks										Federal Farm Mortgage Corporation 2/									
	1930	1934	1940	1945	1949	1950	1951	1952	1953		1934	1940	1945	1949	1950	1951	1952	1953		
	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent		Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent	Per- cent		
Maine-----	4.6	147.6	143.5	10.9	4.7	7.3	13.2	0	0		0	154.9	113.9	9.3	111.8	122.4	0	0		
New Hampshire-----	.6	114.8	110.9	4.7	6.3	5.5	6.3	0	0		0	121.2	9.6	111.1	114.6	9.6	0	0		
Vermont-----	7.5	132.6	118.9	7.1	8.0	11.0	11.9	0	0		0	127.9	9.2	114.1	119.5	122.3	0	0		
Massachusetts-----	1.6	114.4	111.6	4.6	3.6	4.9	4.6	0	0		1.0	122.4	8.3	7.1	9.5	8.2	0	0		
Rhode Island-----	0	110.8	114.0	5.4	3.9	3.7	2.0*	0	0		3.6	124.3	110.6	110.3	5.9	1.8	0	0		
Connecticut-----	1.5	119.2	111.6	4.0	5.4	4.6	5.0	0	0		.7	119.7	6.6	8.2	8.7	7.3	0	0		
New England-----	3.6	129.1	121.2	6.1	5.3	6.6	7.8	0	0		.5	131.3	9.3	9.5	111.9	113.4	0	0		
New York-----	4.6	127.2	117.8	5.5	4.9	5.5	5.8	0	0		.8	125.0	7.7	8.3	9.7	9.0	0	0		
New Jersey-----	3.6	126.9	115.2	4.6	5.6	6.1	4.8	0	0		.8	125.8	6.5	9.5	110.8	8.7	0	0		
Pennsylvania-----	6.1	132.0	110.7	9.6	3.6	4.7	4.8	3.5	3.7		0	112.8	7.4	5.4	9.0	110.3	8.1	8.2		
Middle Atlantic-----	5.1	129.0	115.0	6.6	4.6	5.3	5.4	1.0	1.1		.3	121.0	7.4	7.9	9.8	9.2	1.4	1.3		
Ohio-----	.9	129.6	8.6	3.3	2.5	2.5	3.2	2.7	2.3		4.5	113.5	4.4	6.2	7.1	9.1	8.8	8.9		
Indiana-----	1.5	135.5	7.3	1.8	2.1	2.2	2.4	2.2	2.0		2.2	9.1	2.2	4.1	5.3	4.4	4.5	4.8		
Illinois-----	2.9	146.1	7.5	2.3	2.3	2.7	2.6	2.9	2.2		.1	111.4	3.2	6.0	6.6	7.0	7.7	7.6		
Michigan-----	7.4	150.6	113.6	5.3	4.7	5.7	6.0	5.3	4.8		0	119.3	6.6	8.9	113.3	110.2	9.9	9.4		
Wisconsin-----	7.8	151.5	127.5	5.9	5.0	6.7	7.1	6.2	5.9		.1	140.2	110.4	110.1	116.5	113.7	111.5	111.6		
East North Central-----	3.9	142.1	112.9	3.8	3.4	4.1	4.4	4.0	3.6		.9	120.6	5.9	7.9	111.8	110.2	9.5	9.5		
Minnesota-----	6.5	142.8	120.7	6.2	3.2	4.9	5.0	4.7	4.5		.2	131.1	9.8	6.0	110.0	8.7	8.2	8.5		
Iowa-----	1.2	136.0	113.8	3.8	1.3	2.1	1.5	1.9	1.3		.1	117.4	6.1	3.8	5.8	5.8	8.2	5.4		
Missouri-----	12.6	145.9	112.5	4.1	2.3	2.5	2.4	2.4	2.5		.1	114.8	3.4	3.6	3.8	3.9	3.5	4.3		
North Dakota-----	9.3	167.4	172.8	11.4	4.2	6.3	5.6	5.0	6.4		0	186.3	118.7	4.9	110.4	6.6	6.7	9.9		
South Dakota-----	3.9	165.9	140.1	8.4	1.5	2.4	2.5	2.7	3.6		0	150.8	112.5	4.3	6.4	6.5	5.7	8.8		
Nebraska-----	2.4	136.8	143.5	14.2	1.8	2.6	1.9	2.2	1.5		.1	153.3	120.2	4.5	5.3	4.1	5.7	3.8		
Kansas-----	3.8	139.8	137.4	5.5	2.5	3.8	2.2	4.6	4.2		0	150.7	7.8	7.1	110.2	8.2	10.4	10.7		
West North Central-----	4.2	146.0	132.5	7.4	2.2	3.3	2.8	3.2	3.0		.1	142.5	110.7	5.0	7.9	6.5	7.0	7.5		
Delaware-----	3.6	136.4	8.6	2.8	3.2	1.1	0	0	.5		0	114.3	3.6	6.8	0	0	2.4	0		
Maryland-----	4.2	130.1	112.7	5.3	3.8	4.0	3.1	2.8	3.3		0	119.1	5.8	7.4	7.4	9.3	7.9	8.8		
Virginia-----	5.1	144.4	111.8	8.2	6.2	5.6	4.4	3.7	3.9		0	117.7	7.3	8.5	8.5	8.0	6.6	5.3		
West Virginia-----	4.8	142.3	9.4	5.0	4.7	5.4	5.4	4.5	4.5		0	113.4	6.1	7.0	8.4	8.5	7.0	6.8		
North Carolina-----	8.3	156.6	125.6	11.8	11.7	12.4	11.2	8.9	10.6		2.4	129.6	110.9	118.2	119.6	118.9	116.5	118.4		
South Carolina-----	120.6	157.1	135.5	14.8	14.7	119.6	117.5	112.7	114.7		5.2	136.9	115.6	123.3	130.6	128.3	121.3	121.9		
Georgia-----	110.2	161.5	135.7	12.0	13.0	115.3	113.8	111.4	113.4		1.9	132.9	110.8	118.2	122.6	121.1	117.4	119.1		
Florida-----	6.4	152.9	129.1	5.7	6.5	5.9	6.0	5.4	5.6		.3	114.7	5.4	111.4	111.0	111.4	9.3	9.2		
South Atlantic-----	8.9	152.3	124.7	10.2	10.6	112.2	111.1	8.9	10.3		1.9	127.9	110.5	117.0	120.0	119.0	115.4	116.4		
Kentucky-----	2.0	143.9	113.5	4.5	4.0	4.2	4.3	3.5	4.2		11.7	118.0	5.2	5.5	8.1	7.0	6.4	8.1		
Tennessee-----	1.6	140.3	9.9	4.6	5.0	5.7	6.1	5.6	6.7		5.1	113.5	4.7	6.5	7.4	110.3	9.5	8.6		
Alabama-----	12.7	160.8	132.0	10.0	7.9	113.1	113.9	110.0	110.2		0	144.8	110.2	111.9	120.6	121.3	114.8	113.5		
Mississippi-----	11.9	173.8	133.7	11.6	8.3	118.0	114.3	111.7	110.2		0	148.5	111.1	114.0	129.9	123.3	118.6	114.7		
East South Central-----	9.1	158.9	123.9	8.3	7.0	112.4	111.6	9.1	8.9		3.9	131.4	8.2	10.7	119.5	117.9	113.9	112.6		
Arkansas-----	3.3	167.2	8.4	4.5	3.4	5.1	5.1	5.2	5.2		0	9.9	4.2	5.0	8.3	8.1	8.6	6.1		
Louisiana-----	11.5	169.0	125.7	12.7	11.7	113.3	111.9	111.3	9.9		0	131.4	112.8	115.5	119.6	118.2	115.8	113.2		
Oklahoma-----	6.9	139.5	118.1	6.4	2.9	3.5	4.1	3.4	4.5		0	127.9	8.2	6.1	6.2	8.3	6.7	7.6		
Texas-----	.7	142.2	118.7	2.5	.2	.1	.1	.2	.1		0	117.5	4.6	3.8	3.1	3.7	4.3	5.4		
West South Central-----	3.2	149.0	118.3	4.2	2.1	2.5	2.5	2.4	2.3		0	120.2	5.9	5.6	6.0	6.6	6.4	6.6		
Montana-----	9.3	161.5	134.6	9.6	6.6	110.5	9.6	8.6	8.5		0	137.0	8.7	114.0	116.6	116.2	113.4	112.8		
Idaho-----	6.7	155.5	120.5	5.9	6.7	110.2	8.9	5.7	6.0		0	127.5	7.9	112.0	114.8	114.5	9.6	110.2		
Wyoming-----	3.0	143.4	123.5	110.1	4.5	6.4	5.3	6.8	6.2		1.3	131.7	113.5	6.8	112.8	9.5	8.5	8.2		
Colorado-----	5.6	155.0	128.1	11.2	6.2	6.9	6.9	6.8	8.6		0	135.0	12.3	110.0	110.9	112.6	110.3	113.3		
New Mexico-----	5.2	136.1	112.9	7.3	5.6	4.7	5.9	6.9	7.6		0	120.1	8.0	7.3	8.1	110.8	115.4	114.1		
Arizona-----	1.9	161.5	122.0	8.0	8.2	8.9	6.9	8.0	4.5		.6	121.6	7.6	115.2	113.4	9.5	9.3	9.6		
Utah-----	4.1	170.0	129.5	7.1	7.0	6.8	3.9	3.3	5.0		1.5	139.2	9.9	111.1	111.7	9.5	6.2	11.5		
Nevada-----	2.0	156.1	124.2	9.4	2.8	2.4	1.9	3.7	.5		0	123.7	8.8	6.1	6.9	8.9	2.8	3.6		
Mountain-----	5.9	155.5	125.1	8.6	6.3	8.0	7.2	6.3	6.9		.4	132.3	110.0	11.1	113.0	112.7	110.4	111.5		
Washington-----	6.8	146.4	115.5	5.8	7.7	111.5	9.0	6.3	6.6		.4	121.7	6.2	113.9	115.9	116.2	112.7	112.5		
Oregon-----	6.4	149.6	117.7	4.4	5.1	8.1	8.2	6.2	6.8		0	122.2	5.7	9.8	110.7	110.9	9.1	9.4		
California-----	1.4	140.0	121.4	3.2	4.1	5.2	3.4	2.9	2.4		.5	127.3	4.5	7.7	110.4	7.2	6.8	6.0		
Pacific-----	5.1	144.9	118.8	4.2	5.2	7.4	5.8	4.5	4.4		.4	125.4	5.0	9.2	111.4	9.4	8.3	7.8		
United States-----	5.5	148.5	122.5	6.3	4.4	5.9	5.6	4.5	4.6		1.0	129.7	8.3	9.0	111.9	110.9	8.7	8.9		

1/ Includes all loans with unpaid matured installments even though such installments may have been extended or deferred.  
 2/ Loans held by the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner.



Table 8.- Farm-mortgage loans made or recorded by principal lenders, United States, 1910-53 1/

Period	Total, all lenders	Loans made 2/				Mortgages recorded 6/		
		Federal land banks	Federal Farm Mortgage Corporation 3/	Joint-stock land banks 4/	Farmers Home Administration 5/	Insurance companies 1/	Commercial and savings banks	Individuals and miscellaneous
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910-----	1,249,885	---	---	---	---	105,359	207,734	936,792
1911-----	1,326,774	---	---	---	---	121,335	234,544	970,895
1912-----	1,373,337	---	---	---	---	143,758	252,073	977,506
1913-----	1,401,103	---	---	---	---	110,527	252,445	1,038,131
1914-----	1,397,497	---	---	---	---	120,441	270,357	1,006,699
1915-----	1,487,746	---	---	---	---	184,284	313,707	989,755
1916-----	1,837,273	---	---	---	---	235,051	454,716	1,147,506
1917-----	2,006,151	39,112	---	1,890	---	259,695	404,213	1,301,241
1918-----	1,951,702	118,130	---	6,600	---	161,520	316,764	1,348,688
1919-----	2,943,845	144,987	---	53,030	---	214,159	540,463	1,991,206
1920-----	3,625,780	66,985	---	19,324	---	386,788	663,202	2,489,481
1921-----	2,578,656	91,030	---	9,335	---	292,792	654,521	1,530,978
1922-----	2,505,986	224,301	---	138,685	---	340,932	578,067	1,224,001
1923-----	2,493,734	190,271	---	189,748	---	451,579	546,458	1,115,678
1924-----	2,072,970	162,475	---	74,587	---	346,110	475,654	1,014,144
1925-----	2,180,184	124,809	---	131,431	---	347,625	475,991	1,100,328
1926-----	2,033,061	128,978	---	123,026	---	335,128	433,362	1,012,567
1927-----	1,775,579	138,424	---	83,719	---	250,529	397,286	905,621
1928-----	1,664,802	100,615	---	40,572	---	223,185	398,167	902,263
1929-----	1,462,692	63,004	---	18,186	---	203,346	343,532	834,624
1930-----	1,364,625	47,146	---	5,236	---	173,665	355,232	783,346
1931-----	1,199,938	41,814	---	5,407	---	127,509	327,594	697,614
1932-----	903,341	27,516	---	2,181	---	74,760	263,336	535,548
1933-----	822,976	151,585	70,812	739	---	46,002	167,109	386,729
1934-----	1,820,374	730,134	553,048	---	---	53,422	130,583	353,187
1935-----	1,061,693	247,610	195,869	---	---	78,033	176,496	363,685
1936-----	802,394	108,602	76,887	---	---	114,905	186,109	315,891
1937-----	757,728	62,831	39,707	---	---	128,164	212,801	314,225
1938-----	723,189	51,237	29,152	---	10,217	137,353	209,925	285,305
1939-----	729,008	51,461	27,230	---	26,255	137,915	217,821	268,326
1940-----	772,462	63,926	36,391	---	39,060	145,483	219,835	267,767
1941-----	833,996	64,726	37,308	---	59,595	160,395	221,310	290,662
1942-----	762,813	53,599	28,242	---	34,909	154,497	191,023	300,543
1943-----	915,803	61,232	30,077	---	31,918	167,038	233,074	392,464
1944-----	970,974	69,418	34,469	---	36,023	160,688	255,343	415,033
1945-----	1,054,430	91,889	28,692	---	16,578	145,121	312,780	459,370
1946-----	1,486,208	128,572	14,611	---	47,308	199,752	521,872	574,093
1947-----	1,440,140	137,282	10,345	---	26,125	230,751	487,092	548,545
1948-----	1,427,045	148,574	17	---	18,816	258,928	436,395	564,315
1949-----	1,408,540	180,624	19	---	15,143	276,766	396,466	539,522
1950-----	1,655,895	203,129	25	---	42,849	347,680	471,599	590,613
1951-----	1,770,248	211,378	57	---	45,363	381,297	458,422	673,731
1952-----	1,777,619	251,592	41	---	48,136	345,404	483,677	648,769
Jan.-June----	981,976	132,291	25	---	17,073	192,267	263,845	376,475
July-Dec.----	795,643	119,301	16	---	31,063	153,137	219,832	272,294
1953: Jan.-June----	1,033,769	149,847	27	---	6,584	228,091	267,956	381,264

1/ Excludes Territories and possessions.

2/ Figures are those reported by Farm Credit Administration and Farmers Home Administration, except that figures for joint-stock land banks for 1917-20 were partially estimated by Bureau of Agricultural Economics. Data are for loans on regular mortgages only, excluding purchase-money mortgages and sales contracts.

3/ Loans were made on Corporation's behalf by Land Bank Commissioner. Authority to make new loans, except those incidental to liquidation, expired July 1, 1947.

4/ Also includes joint-stock land banks in receivership. Active banks were placed in liquidation May 12, 1933. Loans made thereafter incidental to liquidation are included with those recorded by "miscellaneous" lenders.

5/ Includes only tenant-purchase loans, 1938-40; farm-development (special real estate) loans beginning 1941; farm-enlargement loans beginning 1943; project-liquidation loans beginning 1944; and farm-housing loans beginning 1950. Also includes similar loans from State Corporation trust funds. Some project-liquidation loans made in 1943, for which separate data are not available are included in 1944. A few farm-housing loans made in 1949 are included with those made in 1950. Figures represent amounts "advanced" for project-liquidation loans and amounts "obligated" for all other types of loans. Excludes insured loans.

6/ Figures for 1910-33 are estimates of Bureau of Agricultural Economics, those for 1936-51 of Farm Credit Administration, and those for 1934-35 of both organizations jointly. Data include regular mortgages, purchase-money mortgages, and sales contracts.

7/ Excludes mortgages recorded in New England States; these have been too few to classify separately and are included with "individuals and miscellaneous" lenders.



Table 9.-- Farm-mortgage interest charges: Total and amount per acre, United States, 1910-53 1/

Year	Total interest charges	Interest charges per acre 2/		Year	Total interest charges	Interest charges per acre 2/	
		Amount	Index (1910-14=100)			Amount	Index (1910-14=100)
	1,000 dollars	Cents			1,000 dollars	Cents	
1910-----	203,188	23.0	83	1932-----	525,760	51.5	185
1911-----	225,351	25.3	91	1933-----	472,283	45.7	164
1912-----	251,745	28.0	101	1934-----	430,420	41.1	147
1913-----	276,294	30.5	109	1935-----	396,092	37.6	135
1914-----	296,236	32.4	116	1936-----	364,474	34.8	125
1915-----	314,255	34.1	122	1937-----	340,730	32.6	117
1916-----	340,532	36.7	132	1938-----	320,094	30.8	110
1917-----	378,309	40.4	145	1939-----	305,449	29.5	106
1918-----	417,032	44.2	159	1940-----	293,147	28.3	102
1919-----	476,312	50.0	180	1941-----	284,451	27.3	98
1920-----	574,090	60.3	216	1942-----	272,089	26.1	94
1921-----	652,656	69.0	248	1943-----	246,119	23.5	84
1922-----	679,904	72.3	260	1944-----	230,367	21.9	79
1923-----	679,220	72.7	261	1945-----	221,243	20.9	75
1924-----	646,838	69.7	250	1946-----	218,807	20.7	74
1925-----	611,612	65.7	236	1947-----	224,925	21.2	76
1926-----	598,244	63.4	228	1948-----	232,477	21.8	78
1927-----	593,006	62.1	223	1949-----	243,161	22.8	82
1928-----	589,530	60.9	219	1950-----	263,897	24.7	89
1929-----	581,999	59.4	213	1951-----	290,955	27.2	98
1930-----	569,756	57.3	206	1952-----	318,756	29.8	107
1931-----	553,008	54.9	197	1953 1/-----	347,444	32.5	117

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

2/ Based on census figures for acreage in all farms, whether mortgaged or free of debt, except for 1935 to date when public and Indian lands are excluded. Acreage for the midpoint of each year is determined by a straight-line interpolation between quinquennial censuses.

3/ Preliminary.

Table 10.-- Farm-mortgage interest charges, by geographic divisions, selected years, 1910-52 1/

Year	United States	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910-----	203,188	3,992	14,715	46,373	77,492	8,910	8,052	21,358	8,666	13,630
1920-----	574,090	6,800	23,842	104,405	231,070	29,142	25,430	61,596	47,178	44,627
1930-----	569,756	10,086	26,866	107,039	198,084	31,974	25,961	72,072	38,691	58,983
1935-----	396,092	9,338	22,269	78,630	134,923	21,894	18,758	47,081	25,014	38,185
1940-----	293,147	7,181	17,909	62,260	90,704	19,199	18,236	31,754	16,769	29,135
1941-----	284,451	6,819	17,228	60,226	87,883	19,048	18,096	31,314	16,116	27,721
1942-----	272,089	6,425	16,543	57,139	84,611	18,471	17,396	30,308	15,038	26,158
1943-----	246,119	5,939	15,340	50,832	77,042	17,085	15,640	27,188	13,311	23,742
1944-----	230,367	5,651	14,359	46,834	71,483	16,322	14,711	25,614	12,631	22,762
1945-----	221,243	5,575	13,869	44,328	66,379	16,291	14,521	24,574	12,688	23,018
1946-----	218,807	5,739	14,325	43,061	60,630	17,624	15,190	24,477	13,376	24,385
1947-----	224,925	6,112	15,380	43,867	57,020	19,565	16,170	25,524	14,917	26,370
1948-----	232,477	6,393	16,233	45,449	54,768	20,884	16,876	26,622	16,743	28,509
1949-----	243,161	6,575	16,872	47,774	55,273	21,302	17,596	28,196	18,571	31,002
1950-----	263,897	6,889	17,622	51,187	58,706	23,522	19,308	31,394	21,135	34,134
1951-----	290,955	7,264	18,801	54,967	62,934	27,832	21,492	35,407	23,991	38,267
1952-----	318,756	7,719	20,363	58,851	66,774	32,119	23,612	39,425	26,669	43,224

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

Table 11.- Farm real estate not under contract of sale held by selected lending agencies, United States, January 1, 1930-53

Year	Federal land banks 1/	Federal Farm Mortgage Corporation 2/		Life insurance companies 2/	Joint-stock land banks 3/	Insured commercial banks 4/	Three State credit agencies 5/
		Excluding prior liens	Including prior liens				
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930-----	29,517			107,058	19,685	6/	26,860
1931-----	36,865			123,403	22,202	6/	33,511
1932-----	53,588			190,694	37,957	6/	39,008
1933-----	83,158			287,773	71,741	6/	47,454
1934-----	96,632			428,331	85,740	6/	56,094
1935-----	96,655	11	11	558,211	81,700	6/	60,270
1936-----	119,409	455	455	588,761	78,204	1/ 74,166	61,531
1937-----	128,893	5,861	10,449	634,005	72,781	69,525	68,444
1938-----	117,932	14,106	21,646	612,120	62,030	56,311	72,040
1939-----	115,345	23,884	34,558	607,358	53,885	49,143	71,846
1940-----	125,800	29,437	40,378	599,653	46,827	42,045	68,324
1941-----	109,066	25,113	32,780	547,637	36,172	33,373	60,900
1942-----	73,600	18,217	23,614	441,772	25,130	22,841	53,498
1943-----	40,435	14,322	19,909	336,233	18,306	19,532	44,145
1944-----	16,779	9,067	12,615	205,410	6,605	5/	36,159
1945-----	6,680	4,314	6,039	2/ 119,752	4,201	6/	32,691
1946-----	1,916	1,451	2,111	2/ 80,046	1,601	6/	3,619
1947-----	487	542	790	2/ 33,229	463	6/	6/
1948-----	171	162	269	2/ 13,418	153	6/	6/
1949-----	76	30	6/	2/ 5,464	3	6/	6/
1950-----	85	45	6/	2/ 2,187	10/	6/	6/
1951-----	47	53	6/	2/ 1,041	0	6/	6/
1952-----	59	26	6/	2/ 746	0	6/	6/
1953-----	80	26	6/	1,612	0	6/	6/

1/ Investment. Also includes sheriffs' certificates and judgments.

2/ Book value. Partially estimated.

3/ Carrying value. Also includes sheriffs' certificates and judgments. Real estate held by banks in receivership included at book value.

4/ Book value.

5/ Investment. Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. The large reduction during 1945 reflects a charge-off of approximately \$27,000,000 of cumulated losses by the Rural Credit Board of South Dakota upon completion of liquidation.

6/ Data unavailable.

7/ July 1.

8/ July 1, 1942.

9/ Revised.

10/ Less than \$500.

Table 12.- Farm real estate acquired and held by Federal land banks and Federal Farm Mortgage Corporation, United States, 1930-52 1/

Year	Acquired during year 2/				Held as of December 31			
	Federal land banks		Federal Farm Mortgage Corporation		Federal land banks		Federal Farm Mortgage Corporation	
	Number	Investment	Number	Investment 3/	Number	Investment	Number	Investment 3/
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
1930-----	4,318	17,177			8,516	36,865		
1931-----	7,036	27,320			12,609	53,588		
1932-----	10,102	43,045			18,449	83,158		
1933-----	6,488	26,941			21,895	96,632		
1934-----	4,766	16,067	2	5	22,918	96,655	2	11
1935-----	11,459	43,219	252	486	27,465	119,409	236	455
1936-----	12,510	49,730	2,624	5,809	28,954	128,893	2,379	5,861
1937-----	8,586	32,676	4,396	10,469	25,776	117,932	5,107	14,106
1938-----	7,186	29,233	6,576	17,267	23,974	115,345	8,245	23,884
1939-----	10,236	44,654	7,679	22,177	25,774	125,800	9,625	29,437
1940-----	5,242	23,089	3,790	12,626	21,337	109,066	7,503	25,113
1941-----	4,129	17,592	3,201	10,191	14,578	73,600	5,204	18,217
1942-----	3,067	12,968	3,245	10,994	8,322	40,435	4,056	14,322
1943-----	1,294	6,036	1,946	7,249	3,625	16,779	2,423	9,067
1944-----	513	2,351	758	2,958	1,423	6,680	1,120	4,314
1945-----	243	1,040	311	1,143	397	1,916	365	1,451
1946-----	73	280	149	587	105	487	144	542
1947-----	34	127	33	91	47	171	45	162
1948-----	18	60	10	40	24	76	13	30
1949-----	12	61	19	27	20	85	21	45
1950-----	14	35	13	28	20	47	16	53
1951-----	17	34	10	14	20	59	15	28
1952-----	17	77	10	16	27	80	10	26

1/ Also includes sheriffs' certificates and judgments. Excludes Puerto Rico except for acquisition by Federal land banks during years 1931-34.

2/ Excludes reacquirements.

3/ Excludes prior liens.

Table 13.- Non-real-estate loans to farmers: Amounts held by principal lending institutions, United States, specified dates, 1915-53 1/

Date	All operating banks		Agencies supervised by Farm Credit Administration				Farmers Home Administration				Commodity Credit Corporation			Total including loans held and guaranteed by Commodity Credit Corporation 2/ 8/
	Excluding loans guaranteed by Commodity Credit Corporation 2/	Including loans guaranteed by Commodity Credit Corporation 2/	Production credit associations 3/		Federal intermediate credit banks 4/		Production and subsistence loans 5/	Disaster loans 6/	Emergency crop and feed loans 7/	Total excluding loans guaranteed by Commodity Credit Corporation	Loans held 8/	Loans guaranteed 2/ 9/		
			Excluding loans guaranteed by Commodity Credit Corporation 2/	Including loans guaranteed by Commodity Credit Corporation 2/	Excluding loans guaranteed by Commodity Credit Corporation 2/	Including loans guaranteed by Commodity Credit Corporation 2/								
	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	dollars	
1915:														
January 1-	1,605,958									1,605,958				
1920:														
January 1-	3,453,794									10/ 3,455,253				
1921:														
January 1-	3,869,891								11/ 3,104	10/ 3,873,788				
1925:														
January 1-	2,674,237				18,760				11/ 2,513	10/ 2,713,162				
1930:														
January 1-	2,490,742				47,283				11/ 7,976	2,546,001				
1935:														
January 1-	627,878	840,887	60,459	60,459	55,083	55,083	12/ 5,600	87,087	111,238	947,345	37,162	213,009	1,197,516	
July 1-1	670,877	805,292	106,402	106,402	57,705	57,705	12/ 47,249	72,759	128,240	1,153,232	151,735	134,415	1,439,382	
1936:														
January 1-	735,257	743,731	93,400	93,400	46,518	46,518	12/ 62,900	43,394	172,470	1,153,939	271,219	8,474	1,433,632	
July 1-1	690,335	692,238	139,062	139,062	53,959	53,959	12/ 128,691	36,080	176,415	1,224,482	236,268	1,903	1,462,653	
1937:														
January 1-	620,866	620,920	104,481	104,481	40,508	40,508	12/ 131,600	25,282	164,762	1,087,499	204,511	54	1,292,064	
July 1-1	757,883	757,926	159,363	159,363	47,306	47,306	12/ 171,394	22,908	189,186	1,348,040	116,827	43	1,464,910	
1938:														
January 1-	682,545	821,935	136,918	136,918	39,974	39,974	118,017	15,588	171,983	1,165,025	173,134	139,390	1,477,549	
July 1-1	827,715	971,805	183,296	183,296	42,703	42,703	164,656	14,788	184,656	1,417,814	228,913	144,090	1,790,817	
1939:														
January 1-	788,716	1,109,489	146,825	146,825	32,612	32,612	169,146	11,080	170,952	1,319,333	308,950	380,773	1,949,056	
July 1-1	841,343	1,234,265	186,945	186,945	39,794	39,794	242,714	10,234	179,812	1,500,842	330,097	392,922	2,223,861	
1940:														
January 1-	900,079	1,134,573	153,425	153,425	32,316	32,316	242,452	8,005	167,795	1,504,072	208,193	237,065	1,949,330	
July 1-1	1,000,329	1,228,153	199,219	199,219	40,033	40,033	290,690	7,768	180,798	1,718,837	154,183	227,856	2,096,876	
1941:														
January 1-	983,774	1,326,120	170,686	178,866	32,371	33,116	286,930	5,854	167,862	1,647,477	252,287	377,175	2,276,399	
July 1-1	1,093,786	1,204,146	219,903	221,788	42,041	42,106	338,421	6,658	178,818	1,879,627	214,854	115,036	2,209,517	
1942:														
January 1-	1,073,198	1,497,205	185,611	201,589	37,382	37,939	317,475	5,531	163,792	1,782,989	133,018	477,136	2,393,143	
July 1-1	1,054,897	1,203,578	245,846	250,460	45,263	45,615	403,597	4,249	176,062	1,909,914	159,585	165,545	2,255,044	
1943:														
January 1-	924,236	1,490,908	182,658	205,873	37,854	38,182	367,945	3,991	155,456	1,672,140	104,366	668,315	2,444,821	
July 1-1	982,701	1,330,281	254,841	266,334	39,708	40,518	383,928	53,754	164,948	1,879,080	57,968	411,994	2,349,842	
1944:														
January 1-	935,764	1,328,480	196,637	210,232	33,782	34,137	342,798	32,751	146,181	1,688,013	93,104	496,079	2,277,196	
July 1-1	1,002,187	1,288,774	266,396	274,147	34,816	35,316	343,611	22,362	156,187	1,825,539	76,537	356,688	2,258,764	
1945:														
January 1-	948,829	1,377,405	188,306	203,794	29,792	29,966	303,050	13,618	138,068	1,621,663	146,076	336,022	2,304,355	
July 1-1	1,068,479	1,268,387	262,781	266,693	29,566	29,658	311,153	10,876	145,908	1,828,763	46,016	257,503	2,132,282	
1946:														
January 1-	1,033,800	1,177,042	194,788	201,135	26,487	26,487	279,175	7,388	128,901	1,670,539	98,904	178,089	1,947,532	
July 1-1	1,300,807	1,302,712	300,385	300,649	33,515	33,515	315,395	5,335	135,259	2,090,696	32,996	6,766	2,130,458	
1947:														
January 1-	1,289,105	1,333,048	230,025	238,321	31,701	31,701	282,381	3,695	116,733	1,953,640	7,266	57,628	2,018,514	
July 1-1	1,567,213	1,589,353	357,283	357,654	38,330	38,330	310,804	3,095	110,814	2,387,499	10,701	23,066	2,421,266	
1948:														
January 1-	1,592,762	1,660,930	289,077	292,560	37,916	37,916	264,879	2,634	105,913	2,293,181	2,493	81,046	2,376,720	
July 1-1	2,012,248	2,034,173	459,343	459,478	56,493	56,493	267,046	2,300	98,487	2,895,127	2,494	22,527	2,920,938	
1949:														
January 1-	1,945,598	2,861,174	366,822	367,699	55,750	55,750	252,512	3,073	90,048	2,713,803	235,215	916,453	3,865,471	
July 1-1	2,268,528	2,817,594	522,810	522,856	61,019	61,019	274,271	4,690	81,505	3,212,823	332,590	549,112	4,094,085	
1950:														
January 1-	2,048,819	3,052,339	387,454	387,547	50,825	50,825	267,160	12,771	71,186	2,838,215	719,677	1,003,613	4,561,505	
July 1-1	2,413,262	2,897,646	526,573	526,585	57,739	57,739	278,684	37,184	61,098	3,374,540	347,159	484,396	4,206,095	
1951:														
January 1-	2,528,153	2,906,115	450,673	450,710	62,073	62,073	259,585	22,544	53,283	3,372,311	434,531	381,999	4,188,841	
July 1-1	3,069,140	3,123,715	676,923	676,923	87,567	87,567	274,367	32,525	44,908	4,185,430	173,823	54,575	4,413,828	
1952:														
January 1-	3,120,196	3,409,878	561,371	561,445	77,841	77,841	253,189	20,110	38,191	4,070,898	306,563	289,756	4,667,217	
July 1-1	3,575,886	3,653,374	791,159	791,165	96,852	96,852	288,758	43,188	32,526	4,828,369	121,013	77,494	5,026,876	
1953:														
January 1-	3,195,058	3,920,621	599,295	599,364	82,931	82,931	291,375	28,739	27,919	4,225,317	467,676	725,632	5,418,625	
July 1-1	3,379,413	3,676,956	761,342	761,372	85,783	85,783	319,606	56,497	23,852	4,626,493	557,691	297,573	5,481,757	

1/ Includes Territories and possessions.

2/ Includes certificates of participation in pool of cotton growers' notes.

3/ Includes loans of associations in liquidation.

4/ Loans to and discounts for livestock loan companies and agricultural credit corporations.

5/ Also includes rural-rehabilitation, water-facility, construction, and wartime-adjustment loans and such loans made from State Corporation trust funds except for January 1, 1938 through January 1, 1942.

6/ Also includes flood-damage, fire, and flood and windstorm-restoration loans and loans made by the Regional Agricultural Credit Corporation before its dissolution on April 16, 1949.

7/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans. These are in liquidation.

8/ Includes non-real-estate loans for storage facilities and equipment held by Commodity Credit Corporation. First made in 1949, these loans totaled \$4,594,341 on January 1, 1950, and \$18,867,719 on July 1, 1953. Data for January 1, 1950 through January 1, 1953 revised to include these loans.

9/ Includes some loans to farmers by cooperative marketing associations not shown separately. Otherwise represents total of guaranteed loans included in preceding columns.

10/ Includes loans of War Finance Corporation not shown separately.

11/ July 1 of previous year.

12/ Amounts obligated. Data for actual advances unavailable.

Table 14.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, 1930-53 1/

Beginning of year or month	Agencies supervised by Farm Credit Administration				Rural Electrification Administration 2/	Farmers Home Administration 3/	Commodity Credit Corporation
	Federal intermediate credit banks	Banks for cooperatives	Agricultural Marketing Act revolving fund	1,000 dollars			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930-----	26,073		14,510				
1931-----	64,377		136,690				
1932-----	45,177		156,280				
1933-----	9,866		158,865				
1934-----	15,211	18,697	157,758				0
1935-----	33,969	27,851	54,863				0
1936-----	2,734	50,013	44,433				0
1937-----	1,641	69,647	53,724	2,456			7,532
1938-----	1,813	87,633	30,982	30,015			9,676
1939-----	920	87,498	23,723	79,190			49,999
1940-----	1,835	76,252	20,547	169,122			26,845
1941-----	1,190	74,741	16,461	232,086			27,931
1942-----	2,152	150,038	16,914	304,407			14,369
1943-----	2,000	222,744	12,551	328,235			10,325
1944-----	2,000	234,038	7,351	331,118			3,655
1945-----	700	214,278	3,067	345,688			1,258
1946-----	2,042	157,680	2,693	391,137			737
1947-----	4,151	212,564	2,232	509,604			645
1948-----	4,000	274,943	2,603	709,426			177,317
1949-----	4,709	304,684	1,315	963,811			354,542
1950-----		301,687	1,366	1,252,648			228,535
1951-----	3,233	344,978	1,309	1,483,953			228,693
1952-----							
January-----	4,000	423,952	1,451	1,669,592		8,161	203,333
April-----	3,500	372,637	951			8,183	
July-----		342,377	755	1,745,719		8,154	205,804
October-----	1,896	366,434	655			8,113	
1953-----							
January-----	2,000	418,504	905	1,820,005		8,098	316,368
April-----	2,000	361,978	650			8,285	
July-----	0	319,109	400	1,897,082		8,261	315,573

1/ Includes Territories and possessions. 2/ Includes liquidation loans only; excludes telephone loans, which amounted to \$4,103,000 on July 1, 1952 and \$18,057,000 on July 1, 1953. 3/ Also includes loans to defense relocation corporations and water-facility associations and similar loans from State Corporation Trust Funds.

4/ Data unavailable. 5/ Also includes loans and advances under Commodity Credit Corporation programs, except advances on wool in which farmers had no beneficial interest.

Table 15.- Interest rates charged on new loans by agencies of the Farm Credit Administration and by the Farmers Home Administration, December 31, selected years, 1934-52

Agency and type of loan	1934	1936	1938	1940	1942	1944	1946	1948	1950	1951	1952
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
<b>Farm Credit Administration 1/</b>											
Real estate loans:											
Federal land banks:											
National farm loan associations:											
Contract rate-----	5	4	4	4	4	4	4	2 1/2	2 1/2	2 1/2	2 1/2
Reduced rate 3/-----	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	4	4	2 1/2	2 1/2	2 1/2	2 1/2
Direct:											
Contract rate-----	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Reduced rate 3/-----	5	4	4	4	4	4	4	4	4	4	4
Land Bank Commissioner: 4/											
Contract rate-----	5	5	5	5	5	5	5	5	5	5	5
Reduced rate 3/-----	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-real-estate loans:											
Production credit associations-----	5	5	5	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2-6 1/2	4 1/2-6 1/2	5-6 1/2	5-6 3/4
Federal intermediate credit banks-----	2	2	2	1 1/2	1 1/2	1 1/2	1 1/2	2	2	2 1/2-2 3/4	2 5/8-2 3/4
Banks for cooperatives:											
Loans secured by Commodity Credit Corporation documents-----	-	-	-	-	-	1	1	2 1/4	2 1/4	2 1/2-2 3/4	2 1/2-3
Commodity loans-----	-	2	2	1 1/2	1 1/2	1 1/2	1 1/2	2 1/4	2 1/4	2 1/2-2 3/4	2 1/2-3
Operating capital loans-----	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3-3 1/4	3-3 1/2
Facility loans-----	4 1/2	4	4	4	3 1/2	4	3 1/2	4	4	4-4 1/2	4-4 1/2
Emergency crop and feed loans 5/ 6/-----	5 1/2	5 1/2	4	4	4	4	4	4	4	4	4
Regional agricultural credit corporations: 7/											
Regular loans-----	6 1/2	6 1/2	6 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Special loans 8/-----	-	-	-	-	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Agricultural Marketing Act revolving fund:											
Operating capital loans-----	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2-3 1/2	3	3	3
Facility loans-----	4 1/2	4	4	4	3 1/2	4	3 1/2	4	4	4	4
<b>Farmers Home Administration 9/ 1/</b>											
Real estate loans:											
Farm ownership 2/-----	-	-	3	3	3	3	3 1/2	4	4	4	4
Farm housing-----	-	-	-	-	-	-	-	-	4	4	4
Flood and windstorm 10/-----	-	-	-	-	-	3 1/2	-	-	-	-	-
Non-real-estate loans:											
Production and subsistence 11/-----	-	5	5	5	5	5	5	5	5	5	5
Water facilities 12/-----	-	-	3	3	3	3	3	3	3	3	3
Disaster-----	-	-	-	-	-	-	-	-	3	3	3
Fur-----	-	-	-	-	-	-	-	-	3	3	3
Orchard-----	-	-	-	-	-	-	-	-	3	3	3
Flood 13/-----	-	-	-	-	-	-	-	3	-	-	-
Flood and windstorm 14/-----	-	-	-	-	-	5	-	-	-	-	-
Rural rehabilitation cooperative associations:	-	3	3	3	3	-	-	-	-	-	-

1/ Rates shown are for continental United States only. In general the rates in Puerto Rico have been one-half of 1 percent higher than the rates charged in the United States by the Farm Credit Administration institutions in the Farm Credit District of Baltimore. 2/ The Federal land banks of Springfield and Baltimore increased interest rates to 4 1/2 percent effective Jan. 1, 1949 and Oct. 1, 1951, respectively. The Federal Land Bank of Columbia increased the interest rate to 4 1/2 percent on Aug. 1, 1948, and to 5 percent effective July 1, 1951. 3/ Reduced rates were in effect on Federal land bank loans between July 11, 1933, and July 1, 1944, and on Land Bank Commissioner loans between July 22, 1937, and July 4, 1947. 4/ Land Bank Commissioner loans were made on behalf of the Federal Farm Mortgage Corporation. Authority to make new loans expired July 1, 1947. 5/ In 1934 also includes drought-relief loans, and in 1942, orchard-rehabilitation loans. 6/ On Nov. 1, 1946, emergency crop and feed, drought-relief, and orchard-rehabilitation loans were transferred to the Farmers Home Administration for servicing and liquidation. 7/ On April 16, 1949, the Regional Agricultural Credit Corporation of Washington, D. C. was dissolved and its assets were transferred to the Farmers Home Administration. 8/ Includes Wenatchee fruit loans beginning 1941, food-production loans and restricted-area loans beginning 1943. 9/ Since October 1947, these rates also apply to loans made by private lenders and insured by Farmers Home Administration and include 1 percent mortgage insurance charge. 10/ These loans were first made in 1943 and were discontinued on June 30, 1946. 11/ Before Nov. 1, 1946, these were known as rural rehabilitation loans. 12/ Loans are made to either individuals or associations. 13/ These loans were first made in 1946 and were discontinued on June 30, 1950. 14/ Some of these loans were also made as real estate loans. These loans were discontinued on June 30, 1943.

NOTE: The interest rate on mortgage loans made by joint-stock land banks, which were placed in liquidation May 12, 1933, varied from 4 to 6 percent per annum, the latter rate being the maximum allowed by law.

Farm Credit Administration and Farmers Home Administration.



Table 16.- Non-real-estate loans to farmers: Amounts held by all operating banks and by insured commercial banks, by States, July 1, 1952 and 1953 1/

State and division	All operating banks				Insured commercial banks			
	Including loans guaranteed by Commodity Credit Corporation		Excluding loans guaranteed by Commodity Credit Corporation		Including loans guaranteed by Commodity Credit Corporation		Excluding loans guaranteed by Commodity Credit Corporation	
	July 1, 1952	July 1, 1953	July 1, 1952	July 1, 1953	July 1, 1952	July 1, 1953	July 1, 1952	July 1, 1953
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	7,332	10,208	7,332	10,208	6,739	9,863	6,739	9,863
New Hampshire-----	3,007	3,042	3,007	3,042	2,678	2,726	2,678	2,726
Vermont-----	11,840	12,417	11,840	12,417	10,429	10,900	10,429	10,900
Massachusetts-----	5,846	6,120	5,846	6,120	5,846	6,119	5,846	6,119
Rhode Island-----	1,214	1,471	1,214	1,471	1,134	1,378	1,134	1,378
Connecticut-----	6,717	7,802	6,717	7,782	6,457	7,499	6,457	7,499
New England-----	35,956	41,060	35,956	41,040	33,283	38,485	33,283	38,485
New York-----	77,256	84,294	77,174	84,067	77,255	84,293	77,173	84,066
New Jersey-----	12,640	13,493	12,639	13,493	12,640	13,493	12,639	13,493
Pennsylvania-----	56,362	59,231	56,232	58,969	56,302	59,187	56,172	58,925
Middle Atlantic-----	146,258	157,018	146,045	156,529	146,197	156,973	145,984	156,484
Ohio-----	76,510	79,869	75,086	75,669	75,848	79,177	74,424	74,977
Indiana-----	86,960	93,847	84,468	84,269	86,466	93,371	83,974	83,793
Illinois-----	203,369	231,282	198,167	183,850	201,612	229,911	196,603	182,726
Michigan-----	68,414	70,600	67,894	69,366	66,651	69,635	66,131	68,401
Wisconsin-----	77,604	82,859	77,101	81,543	76,997	82,372	76,494	81,056
East North Central-----	512,857	558,457	502,716	494,697	507,574	554,466	497,626	490,953
Minnesota-----	150,768	167,417	150,069	147,812	149,993	166,615	149,295	147,106
Iowa-----	299,092	333,916	291,500	243,606	280,164	311,886	272,933	228,449
Missouri-----	184,642	158,255	182,709	149,741	181,422	155,231	179,527	147,362
North Dakota-----	43,856	47,185	42,711	45,995	42,638	45,986	41,592	44,800
South Dakota-----	76,786	78,652	76,366	70,367	76,786	78,652	76,366	70,367
Nebraska-----	190,863	186,276	188,440	156,123	182,849	178,716	180,547	150,340
Kansas-----	236,017	186,848	225,353	177,629	196,680	154,856	188,119	148,304
West North Central-----	1,182,024	1,158,549	1,157,148	991,273	1,110,532	1,091,942	1,088,379	936,728
Delaware-----	4,024	3,831	3,998	3,738	4,024	3,831	3,998	3,738
Maryland-----	12,296	12,873	12,294	12,869	12,296	12,873	12,294	12,869
District of Columbia-----	137	149	137	149	137	149	137	149
Virginia-----	40,863	42,943	40,720	42,879	40,863	42,943	40,720	42,879
West Virginia-----	7,341	7,371	7,341	7,371	7,341	7,371	7,341	7,371
North Carolina-----	51,915	54,875	51,686	53,966	51,915	54,875	51,659	53,966
South Carolina-----	21,579	24,122	19,912	22,011	21,499	24,036	19,832	21,925
Georgia-----	58,001	60,187	55,880	57,432	56,465	59,150	54,370	56,536
Florida-----	20,206	21,506	20,010	21,506	20,128	21,343	19,932	21,343
South Atlantic-----	216,389	227,857	211,978	221,921	214,668	226,571	210,283	220,776
Kentucky-----	55,228	55,150	54,971	54,825	54,913	54,964	54,664	54,639
Tennessee-----	65,186	67,973	64,670	67,549	64,426	67,235	63,910	66,811
Alabama-----	59,635	60,155	58,679	59,916	59,635	60,155	58,679	59,916
Mississippi-----	45,022	47,380	44,374	45,607	44,622	47,163	43,974	45,390
East South Central-----	225,071	230,658	222,694	227,897	223,596	229,517	221,227	226,756
Arkansas-----	58,668	61,499	58,001	59,625	58,367	61,147	57,700	59,273
Louisiana-----	29,576	31,522	29,295	31,060	29,442	31,372	29,161	30,910
Oklahoma-----	129,634	129,641	107,751	98,397	128,761	128,751	106,943	97,620
Texas-----	364,816	346,118	353,788	324,691	357,857	340,233	347,343	318,852
West South Central-----	582,694	568,780	548,835	513,773	574,427	561,503	541,147	506,655
Montana-----	50,101	47,622	49,980	47,148	50,101	47,622	49,980	47,148
Idaho-----	45,198	46,276	44,962	46,105	44,849	46,276	44,613	46,105
Wyoming-----	34,348	30,254	34,316	30,231	34,348	30,254	34,316	30,231
Colorado-----	130,615	112,945	130,219	112,587	130,464	112,797	130,068	112,439
New Mexico-----	32,751	32,220	32,475	31,251	32,751	32,220	32,475	31,251
Arizona-----	42,605	44,275	42,485	44,201	42,605	44,275	42,485	44,201
Utah-----	29,502	29,353	29,410	29,293	29,502	29,353	29,410	29,293
Nevada-----	8,600	9,112	8,600	9,112	8,600	9,112	8,600	9,112
Mountain-----	373,720	352,057	372,447	349,928	373,220	351,909	371,947	349,780
Washington-----	48,842	53,916	48,839	53,893	48,522	53,600	48,519	53,577
Oregon-----	45,495	44,352	45,495	44,255	45,414	44,295	45,414	44,198
California-----	284,068	284,252	283,733	284,207	284,068	284,252	283,733	284,207
Pacific-----	378,405	382,520	378,067	382,355	378,004	382,147	377,666	381,582
United States-----	3,653,374	3,676,956	3,575,886	3,379,413	3,561,501	3,593,513	3,487,542	3,308,599
Possessions 2/-----	19,990	23,534	19,935	23,534	8,545	16,202	8,490	16,202

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders which are classified according to location of security or borrower.

2/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Federal Deposit Insurance Corporation.



Table 17.- Non-real-estate loans: Amounts held by production credit associations, and by private financing institutions discounting with Federal intermediate credit banks, by States, January 1, and July 1, 1952-53 1/

State and division	Production credit associations 2/				Private financing institutions 3/			
	1952		1953		1952		1953	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	2,081	2,133	3,102	2,685	127	173	136	334
New Hampshire	508	544	523	604	0	0	0	0
Vermont	4,087	4,539	4,577	4,861	0	0	0	0
Massachusetts	1,625	2,031	1,738	2,130	165	162	188	72
Rhode Island	360	442	369	467	4/	0	0	0
Connecticut	2,779	2,619	2,591	2,482	0	0	0	0
New England	11,440	12,308	12,900	13,229	292	335	324	406
New York	20,206	24,230	21,579	25,467	38	85	0	0
New Jersey	2,807	4,285	3,029	4,289	21	108	49	115
Pennsylvania	11,644	12,568	12,501	13,060	0	0	0	0
Middle Atlantic	34,657	41,083	37,109	42,816	59	193	49	115
Ohio	25,299	29,613	27,509	29,693	3,265	2,917	2,962	2,294
Indiana	23,050	29,242	24,264	28,069	970	691	845	453
Illinois	33,360	34,802	32,263	31,556	2,053	1,681	1,957	1,453
Michigan	7,751	9,412	8,766	9,379	2	5	4	0
Wisconsin	13,214	15,826	15,480	16,926	2,862	3,293	3,299	3,641
East North Central	102,674	118,895	108,282	115,623	9,152	8,587	9,067	7,841
Minnesota	16,960	18,088	17,744	16,743	1,806	1,910	1,943	1,975
Iowa	26,776	24,233	21,275	17,603	1,457	1,081	1,485	969
Missouri	22,866	29,960	22,361	24,251	1,624	1,661	1,200	1,022
North Dakota	4,865	6,597	5,744	7,300	863	1,214	1,117	1,364
South Dakota	10,246	10,686	9,829	9,721	1,259	1,334	1,136	872
Nebraska	16,914	16,423	14,777	13,258	764	419	505	337
Kansas	16,714	17,402	13,434	12,778	1,006	916	819	424
West North Central	115,341	123,329	109,164	101,654	8,779	8,535	8,205	6,963
Delaware	1,242	1,580	1,372	1,757	0	0	0	0
Maryland	7,689	8,356	7,526	8,555	0	0	0	0
District of Columbia	0	0	0	0	0	0	0	0
Virginia	7,891	11,599	9,182	11,738	71	40	54	16
West Virginia	2,125	2,514	2,224	2,433	0	0	0	0
North Carolina	6,900	26,786	8,140	27,030	0	746	0	893
South Carolina	5,076	16,374	7,313	17,841	0	55	0	55
Georgia	11,541	27,984	15,201	29,222	0	0	0	12
Florida	13,221	11,461	15,002	12,912	677	0	781	529
South Atlantic	55,685	106,654	65,960	111,488	748	841	835	1,505
Kentucky	13,615	17,564	15,265	16,050	1,050	140	129	2
Tennessee	9,069	13,558	11,214	13,763	595	2,113	983	1,949
Alabama	5,331	11,660	7,325	12,206	724	969	971	991
Mississippi	11,295	33,291	16,191	35,303	3,945	8,481	6,065	8,305
East South Central	39,310	76,773	49,995	77,322	6,314	11,703	8,148	11,247
Arkansas	8,667	24,656	8,742	25,255	487	883	1,229	1,135
Louisiana	9,834	22,050	10,812	23,329	555	1,607	346	1,574
Oklahoma	15,357	18,298	14,329	15,473	4,965	4,940	4,521	4,274
Texas	55,490	81,487	60,249	80,220	18,642	22,433	18,034	19,343
West South Central	89,348	146,491	94,132	144,277	24,649	29,863	24,130	26,326
Montana	15,371	26,162	17,963	24,815	886	953	642	799
Idaho	15,057	21,300	16,425	19,554	276	506	240	191
Wyoming	5,138	8,276	6,919	7,838	2,811	3,361	2,794	2,674
Colorado	15,507	19,150	15,887	18,355	4,067	3,835	3,277	2,863
New Mexico	5,619	7,846	5,786	7,958	1,304	2,116	1,712	1,808
Arizona	3,934	5,116	4,502	4,249	3,378	7,744	6,707	6,652
Utah	5,834	7,712	7,442	6,919	4,779	5,226	4,011	3,610
Nevada	1,957	2,687	2,335	2,485	1,006	1,407	1,005	642
Mountain	68,417	98,249	77,259	92,173	18,507	25,148	20,388	19,239
Washington	5,199	8,286	5,868	8,015	771	424	808	386
Oregon	14,052	20,626	15,543	18,791	300	36	335	243
California	25,248	38,465	27,083	35,954	8,270	11,187	10,642	11,512
Pacific	44,499	67,377	42,496	62,760	9,341	11,647	11,785	12,141
United States	561,371	791,159	599,295	761,342	77,841	96,852	82,931	85,783
Puerto Rico	6,248	6,453	6,821	6,841	5,600	1,671	8,294	841

1/ Excludes loans guaranteed by the Commodity Credit Corporation.

2/ Includes all loans of production credit associations, whether or not discounted with Federal intermediate credit banks.

3/ Loans from and discounts with Federal intermediate credit banks by livestock loan companies and agricultural credit corporations.

4/ Less than \$500.

Farm Credit Administration.

Table 16.- Farmers Home Administration: Operating loans outstanding, by types and by States, as of specified dates, 1952-53

State and division	Production and subsistence 1/			Disaster 2/			Emergency crop and feed 3/		
	1952			1953			1952		
	Jan. 1	Jan. 1	July 1	Jan. 1	Jan. 1	July 1	Jan. 1	Jan. 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	2,681	2,908	3,003	71	96	134	147	86	73
New Hampshire-----	815	1,029	1,040	34	15	13	9	6	5
Vermont-----	946	1,185	1,143	145	117	109	15	9	7
Massachusetts-----	321	332	325	82	83	100	7	3	3
Rhode Island-----	87	72	85	26	26	21	4/	1	1
Connecticut-----	204	324	346	34	21	13	11	8	7
New England-----	5,054	5,850	5,942	392	358	390	189	113	96
New York-----	6,023	6,967	7,098	378	261	395	83	62	56
New Jersey-----	2,060	2,226	2,410	304	227	219	47	40	35
Pennsylvania-----	5,063	5,993	6,157	28	28	35	96	66	53
Middle Atlantic-----	13,146	15,186	15,665	710	516	649	226	168	144
Ohio-----	4,496	5,997	5,594	15	27	13	87	50	40
Indiana-----	3,514	4,536	4,769	58	38	21	72	56	43
Illinois-----	5,318	6,349	6,696	148	66	76	51	59	53
Michigan-----	6,837	7,942	8,078	270	335	294	180	141	122
Wisconsin-----	6,777	7,503	7,712	890	550	341	437	347	320
East North Central-----	26,942	32,327	32,849	1,341	1,016	745	867	653	578
Minnesota-----	8,016	10,306	10,660	121	98	66	1,391	900	644
Iowa-----	4,413	5,190	6,511	16	70	27	9	11	8
Missouri-----	7,894	8,443	10,041	733	4,103	6,917	392	216	191
North Dakota-----	4,980	6,613	7,456	104	83	1,935	10,321	7,468	6,406
South Dakota-----	7,090	8,806	9,090	102	136	924	5,197	3,997	3,432
Nebraska-----	5,274	6,443	6,655	31	63	48	805	461	339
Kansas-----	6,183	6,448	6,912	252	568	638	1,431	1,110	978
West North Central-----	43,850	52,049	57,332	2,059	5,121	10,555	19,546	14,163	11,998
Delaware-----	234	265	281	2	1	1	26	20	19
Maryland-----	2,259	2,487	2,624	25	23	20	215	186	172
District of Columbia-----	0	0	0	0	0	0	0	0	0
Virginia-----	2,831	3,007	3,581	455	440	390	539	392	330
West Virginia-----	1,805	2,520	2,813	30	26	26	54	36	29
North Carolina-----	5,958	6,939	9,745	200	339	1,220	229	171	145
South Carolina-----	6,421	7,009	8,170	326	619	2,155	625	452	377
Georgia-----	10,899	10,783	12,499	537	556	2,297	719	484	393
Florida-----	4,809	5,173	5,257	998	805	643	476	363	297
South Atlantic-----	35,216	38,183	44,970	2,273	2,809	6,752	2,883	2,104	1,762
Kentucky-----	3,759	5,281	5,749	5	216	360	60	41	36
Tennessee-----	3,369	4,092	4,568	73	524	950	239	153	126
Alabama-----	8,386	7,997	9,613	232	552	1,819	270	173	142
Mississippi-----	11,047	12,235	12,201	1,707	2,458	5,391	475	318	251
East South Central-----	26,561	29,605	32,131	2,017	3,750	8,520	1,044	685	555
Arkansas-----	11,382	12,264	13,411	1,966	2,149	6,297	1,175	849	675
Louisiana-----	6,086	7,227	7,851	212	350	1,290	806	593	483
Oklahoma-----	15,287	16,192	16,418	597	1,897	2,676	380	275	225
Texas-----	21,383	25,454	27,550	3,026	6,172	13,944	2,803	2,057	1,847
West South Central-----	54,138	61,137	65,230	5,801	10,568	24,207	5,164	3,774	3,230
Montana-----	6,806	8,123	9,383	387	394	447	2,755	2,147	1,995
Idaho-----	5,435	6,098	7,438	438	287	289	196	120	108
Wyoming-----	5,045	5,460	6,339	390	318	336	400	327	306
Colorado-----	7,028	8,353	9,315	918	1,026	1,066	854	700	659
New Mexico-----	3,906	5,175	6,162	47	72	151	589	447	399
Arizona-----	1,116	1,570	2,021	41	23	22	106	78	60
Utah-----	3,062	3,551	4,075	396	318	344	105	78	70
Nevada-----	458	652	661	261	190	184	12	10	5
Mountain-----	32,856	38,282	42,394	2,878	2,628	2,839	5,017	3,907	3,602
Washington-----	6,314	7,329	8,485	759	620	626	1,902	1,497	1,238
Oregon-----	3,408	4,042	4,531	471	355	243	565	384	308
California-----	5,704	6,685	7,077	1,109	998	971	788	471	341
Pacific-----	15,426	18,056	20,093	2,339	1,973	1,840	3,255	2,352	1,887
United States-----	253,189	291,375	319,606	20,110	28,739	56,497	38,191	27,919	23,852
Possessions 2/-----	3,224	3,108	3,887	106	32	18	44	36	34

1/ Also includes water-facility loans, rural-rehabilitation loans, construction loans, wartime-adjustment loans, and such loans from State Corporation trust funds.

2/ Also includes flood-damage loans, fur loans, orchard loans, flood and windstorm-restoration loans, and loans formerly made by the Regional Agricultural Credit Corporation.

3/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans.

4/ Less than \$500.

2/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Farmers Home Administration.

Table 19.- Commodity Credit Corporation: Loans made from organization to July 1, 1953, and loans outstanding on July 1, 1953, by commodity programs

Commodity program	Loans made 1/			Loans outstanding July 1, 1953			
	Amount	Commodity pledged		Held by Commodity Credit Corporation	Held by lending agencies	Total	Commodity pledged
		Quantity	Unit				
	1,000 dollars	1,000 units		1,000 dollars	1,000 dollars	1,000 dollars	1,000 units
Barley:							
1940-52-----	148,386	158,625	Bushel				
1953-----	1,209	1,017	do				
Total-----	149,595	159,642	do	2,099	34	2,133	1,791
Beans, dry:							
1943-51-----	114,882	15,624	Hundredweight				
1952-----	13,281	1,613	do				
Total-----	128,263	17,237	do	1,353	141	1,494	158
Butter:							
1938-40-----	32,156	127,166	Pound	0	0	0	0
Corn:							
1933-51-----	2/ 1,807,417	2/ 2,025,792	Bushel				
1952-----	482,712	308,619	do				
Total-----	2,290,129	2,334,411	do	243,281	224,909	468,190	299,342
Cotton:							
1933-51-----	3,578,568	41,252	Bale				
1952-----	327,357	2,308	do				
Total-----	3,905,925	43,560	do	268,942	21,092	290,034	1,865
Flax fiber:							
1946-----	1,237	2,579	Pound	0	0	0	0
Flaxseed:							
1941-52-----	73,619	30,964	Bushel				
1953-----	2	1	do				
Total-----	73,621	30,965	do	1,143	15	1,158	311
Grain sorghum:							
1940-52-----	242,085	111,904	Hundredweight				
1953-----	886	379	do				
Total-----	242,971	112,283	do	166	772	938	402
Naval stores:							
Rosin:							
1934-52-----	77,977	1,960,109	Pound				
1953-----	1,217	15,328	do				
Total-----	79,194	1,975,437	do	12,361	0	12,361	163,169
Purpentine:							
1934-52-----	18,290	46,950	Gallon				
1953-----	116	232	do				
Total-----	18,406	47,182	do	978	0	978	1,888
Onions:							
1945-52-----	63,592	94,297	Bushel				
1953-----	3,898	4,270	do				
Total-----	67,490	98,567	do	6,752	500	7,252	9,148
Peanuts:							
1937-51-----	296,943	1,739	Ton				
1952-----	11,732	54	do				
Total-----	308,675	1,793	do	9,896	22	9,918	92,222
Peas, dry:							
1943-49-----	2,704	846	Hundredweight	0	0	0	0
Potatoes, white:							
1943-49-----	165,570	156,174	do	0	0	0	0
Rice:							
1948-51-----	2/ 30,733	2/ 6,241	do				
1952-----	1,088	209	do				
Total-----	31,821	6,450	do	0	28	28	6
Rye:							
1939-52-----	10,975	17,136	Bushel				
1953-----	2	1	do				
Total-----	10,977	17,137	do	43	2	45	31
Seeds, miscellaneous:							
1943-52-----	60,598	438,051	Pound				
1953-----	2	15	do				
Total-----	60,600	438,066	do	10,529	85	10,614	22,396
Soybeans:							
1941-51-----	2/ 123,392	2/ 57,779	Bushel				
1952-----	30,910	12,029	do				
Total-----	154,302	69,808	do	4,294	713	5,007	1,917
Sweetpotatoes:							
1943-46-----	150	77	Hundredweight	0	0	0	0
Tobacco:							
1931-51-----	2/ 634,126	2/ 1,555,916	Pound				
1952-----	152,655	328,778	do				
Total-----	786,781	1,884,694	do	218,623	0	218,623	495,974
Wheat:							
1938-52-----	4,624,953	3,105,754	Bushel				
1953-----	47,831	21,218	do				
Total-----	4,672,784	3,127,072	do	62,351	34,374	96,725	44,378
Other-----	175,849	xxx		31,784	5,280	37,064	xxx
GRAND TOTAL-----	13,396,162	xxx		3/ 874,595	5/ 287,967	1,162,562	xxx

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.

2/ Revised.

3/ Also includes some loans to processors not reported in tables 13 and 14.

4/ Differs from total shown in table 13 because of differences in basis of reporting.

Commodity Credit Corporation.

Table 20.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended June 30, 1953 <sup>1/</sup>

State and division	Corn	Cotton	Peanuts	Tobacco	Wheat	Other <sup>2/</sup>	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	0	0	0	0	6	48	54
New Hampshire-----	0	0	0	0	0	1,015	1,015
Vermont-----	0	0	0	0	0	0	0
Massachusetts-----	0	0	0	100	0	32,401	32,501
Rhode Island-----	0	0	0	0	0	0	0
Connecticut-----	0	0	0	0	0	0	0
New England-----	0	0	0	100	6	33,464	33,570
New York-----	318	0	0	0	1,761	124	2,203
New Jersey-----	289	0	0	0	500	32	821
Pennsylvania-----	914	0	0	19	1,681	31	2,645
Middle Atlantic-----	1,521	0	0	19	3,942	187	5,669
Ohio-----	10,977	0	0	4	15,802	1,543	28,326
Indiana-----	21,751	0	0	0	2,202	1,824	25,777
Illinois-----	75,946	0	0	0	4,832	4,092	84,870
Michigan-----	5,383	0	0	0	6,183	4,122	15,688
Wisconsin-----	4,544	0	0	121	22	615	5,302
East North Central-----	118,601	0	0	125	29,041	12,196	159,963
Minnesota-----	46,560	0	0	0	8,634	19,926	75,120
Iowa-----	207,939	0	0	0	2,393	17,119	227,451
Missouri-----	16,576	755	0	0	6,316	7,356	31,003
North Dakota-----	681	0	0	0	47,577	13,159	61,417
South Dakota-----	14,121	0	0	0	19,599	11,481	45,201
Nebraska-----	67,595	0	0	0	70,051	2,888	140,534
Kansas-----	6,481	0	0	0	327,784	2,309	336,574
West North Central-----	359,953	755	0	0	482,354	74,238	917,300
Delaware-----	373	0	0	0	433	1	807
Maryland-----	346	0	0	66	2,857	13	3,282
District of Columbia-----	0	0	0	0	0	0	0
Virginia-----	92	29	4,640	2,214	2,157	70	9,202
West Virginia-----	43	0	0	0	1	0	44
North Carolina-----	165	9,745	7	111,989	1,321	181	123,408
South Carolina-----	148	9,826	33	0	881	1,056	11,944
Georgia-----	34	18,748	6,883	0	1,057	14,488	41,210
Florida-----	35	69	4	0	0	380	488
South Atlantic-----	1,236	38,417	11,567	114,269	8,707	16,189	190,385
Kentucky-----	944	0	0	34,054	883	140	36,021
Tennessee-----	8	5,509	0	12,791	543	292	19,143
Alabama-----	102	15,626	151	0	131	466	16,476
Mississippi-----	4	60,620	0	0	244	2,709	63,577
East South Central-----	1,058	81,755	151	46,845	1,801	3,607	135,217
Arkansas-----	21	18,910	0	0	991	771	20,693
Louisiana-----	0	17,553	0	0	0	714	18,267
Oklahoma-----	30	10,921	0	0	116,885	893	128,729
Texas-----	57	120,695	14	0	43,926	9,275	173,967
West South Central-----	108	168,079	14	0	161,802	11,653	341,656
Montana-----	0	0	0	0	44,134	2,826	46,960
Idaho-----	14	0	0	0	25,652	5,623	31,289
Wyoming-----	0	0	0	0	4,731	6,668	11,399
Colorado-----	52	0	0	0	46,969	6,996	54,017
New Mexico-----	1	13,777	0	0	800	512	15,090
Arizona-----	0	15,228	0	0	7	2,401	17,636
Utah-----	0	0	0	0	1,160	5,010	6,170
Nevada-----	0	0	0	0	81	16	97
Mountain-----	67	29,005	0	0	123,534	30,052	182,658
Washington-----	8	0	0	0	56,618	6,178	62,804
Oregon-----	33	0	0	0	22,564	9,364	31,961
California-----	0	39,163	0	0	2,347	17,714	59,224
Pacific-----	41	39,163	0	0	81,529	33,256	153,989
Unallocated-----	0	233	0	0	0	7,870	8,103
United States-----	482,585	357,407	11,732	161,358	892,716	222,712	2,128,510
Puerto Rico-----	0	0	0	520	0	0	520

<sup>1/</sup> Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies.<sup>2/</sup> Consists mainly of wool (\$78,473,000), soybeans (\$30,883,000), miscellaneous seeds (\$30,857,000), oats (\$16,338,000), and flaxseed (\$14,143,000).

Commodity Credit Corporation.

Table 21.- Rural Electrification Administration: Electrification and telephone loans outstanding July 1, 1952 and 1953, by States 1/

State and division	Electrification loans				Telephone loans			
	July 1, 1952		July 1, 1953		July 1, 1952		July 1, 1953	
	To coopera-	To others	To coopera-	To others	To coopera-	To others	To coopera-	To others
	tives 2/	3/	tives 2/	3/	tives	3/	tives	3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	1,447	0	1,518	0	0	0	0	0
New Hampshire-----	4,719	122	5,053	193	0	0	0	0
Vermont-----	2,703	0	2,733	0	0	0	0	0
Massachusetts-----	0	0	0	0	0	0	0	0
Rhode Island-----	0	0	0	0	0	0	0	0
Connecticut-----	0	0	0	0	0	0	0	0
New England-----	8,869	122	9,304	193	0	0	0	0
New York-----	2,378	0	2,382	0	0	89	0	121
New Jersey-----	759	0	810	0	0	0	0	495
Pennsylvania-----	19,006	0	20,034	0	0	0	0	0
Middle Atlantic-----	22,143	0	23,226	0	0	89	0	616
Ohio-----	31,814	1,112	32,919	1,562	0	0	0	0
Indiana-----	32,816	0	33,258	0	123	387	1,177	961
Illinois-----	58,732	0	61,553	0	0	5	47	87
Michigan-----	34,447	0	38,844	0	0	0	0	615
Wisconsin-----	70,852	43	74,320	37	0	83	178	531
West North Central-----	228,670	1,155	240,894	1,592	123	475	1,402	2,194
Minnesota-----	97,832	851	100,809	812	673	89	1,615	717
Iowa-----	93,180	0	96,480	0	577	0	1,344	0
Missouri-----	148,089	0	167,663	0	0	19	646	84
North Dakota-----	82,280	438	85,938	404	82	0	945	0
South Dakota-----	60,168	0	67,163	0	0	0	0	287
Nebraska-----	16,469	55,766	15,632	59,969	0	0	0	0
Kansas-----	68,185	0	70,521	0	0	0	275	272
West North Central-----	566,203	57,055	604,206	61,185	1,332	108	4,825	1,360
Delaware-----	2,478	0	2,594	0	0	0	0	0
Maryland-----	9,085	0	9,781	0	0	0	0	0
District of Columbia-----	0	0	0	0	0	0	0	0
Virginia-----	37,834	0	40,462	0	0	54	8	53
West Virginia-----	1,187	0	1,227	0	0	83	0	239
North Carolina-----	51,694	450	56,655	441	17	326	269	842
South Carolina-----	36,200	948	42,725	933	234	220	572	802
Georgia-----	58,154	0	61,772	0	39	321	884	664
Florida-----	25,779	0	28,024	0	191	3	406	194
South Atlantic-----	222,411	1,398	243,240	1,374	481	1,007	2,139	2,794
Kentucky-----	67,022	0	76,037	0	60	0	676	91
Tennessee-----	53,304	3,834	56,898	3,874	48	192	1,079	905
Alabama-----	43,328	1,188	47,071	1,287	0	445	151	656
Mississippi-----	53,077	245	55,866	288	0	39	0	631
East South Central-----	216,731	5,267	235,872	5,449	108	676	1,906	2,283
Arkansas-----	50,313	0	58,028	0	0	0	18	0
Louisiana-----	25,140	1,007	26,732	1,410	0	764	0	2,889
Oklahoma-----	78,371	0	88,557	0	0	0	0	402
Texas-----	143,516	468	155,036	454	1,362	0	5,115	94
West South Central-----	297,340	1,475	328,353	1,864	1,362	764	5,133	3,385
Montana-----	28,357	0	31,249	0	0	0	0	0
Idaho-----	9,473	0	11,065	0	0	0	0	0
Wyoming-----	15,971	0	17,269	0	0	0	0	0
Colorado-----	38,933	92	44,114	79	0	0	125	0
New Mexico-----	33,497	0	39,825	0	470	0	1,451	0
Arizona-----	12,552	0	14,316	0	0	0	0	0
Utah-----	3,136	0	3,632	0	0	96	663	125
Nevada-----	0	74	0	106	0	0	0	0
Mountain-----	141,919	166	161,470	185	470	96	2,239	134
Washington-----	12,660	6,736	13,741	7,021	0	464	0	694
Oregon-----	19,177	391	22,813	390	227	0	413	0
California-----	3,176	4,016	3,219	4,953	0	0	0	83
Pacific-----	35,013	11,143	39,773	12,364	227	464	413	777
United States-----	1,739,299	77,781	1,886,338	84,213	4,103	3,679	18,057	13,543
Possessions 5/-----	6,420	0	10,744	1,042	0	0	0	0

1/ Cumulative net advances minus principal repayments.

2/ Approximately two-thirds of the individuals served by these cooperatives are farmers.

3/ Principally loans to public bodies and to power companies.

4/ Loans to commercial telephone companies.

5/ Alaska and Puerto Rico.

Rural Electrification Administration.



Table 22.- Taxes levied on farm property and automotive taxes paid by farmers, United States, average 1909-13 and annual 1924-52

Year	Property taxes levied		Automotive taxes paid		
	Farm real estate 1/	Farm personal property 2/	Licenses and permits 3/	Motor fuel taxes 4/	
	1,000 dollars	1,000 dollars	1,000 dollars	State 5/ 1,000 dollars	Federal 6/ 1,000 dollars
1909-13 average-----	184,315	28,437	1/ 1,195	---	---
1924-----	511,370	71,995	36,084	11,612	---
1925-----	516,790	71,663	41,127	21,896	---
1926-----	525,564	72,965	45,446	26,209	---
1927-----	544,690	74,831	47,626	37,294	---
1928-----	555,635	79,609	50,310	42,680	---
1929-----	567,493	83,874	52,808	55,626	---
1930-----	567,122	81,311	55,092	63,108	---
1931-----	526,679	62,546	53,217	61,873	---
1932-----	461,961	48,935	49,831	56,895	8,953
1933-----	399,469	39,324	44,713	56,687	22,827
1934-----	385,085	40,204	44,815	60,586	18,821
1935-----	392,392	42,047	46,948	65,745	20,604
1936-----	394,428	45,626	50,830	70,570	21,436
1937-----	404,825	47,132	56,181	74,959	23,199
1938-----	400,370	48,167	55,702	76,957	24,222
1939-----	406,761	49,129	56,472	77,771	26,105
1940-----	401,087	50,200	58,723	79,265	35,850
1941-----	406,731	56,117	62,906	81,761	45,382
1942-----	399,468	66,629	57,599	76,661	46,034
1943-----	400,239	76,795	66,893	72,843	46,556
1944-----	416,891	80,393	86,680	74,545	49,080
1945-----	464,810	91,539	89,824	89,932	55,466
1946-----	518,734	96,512	77,024	107,838	64,602
1947-----	605,370	127,727	85,154	118,816	70,706
1948-----	655,957	150,139	95,253	127,282	75,325
1949-----	706,152	166,779	101,586	135,744	79,102
1950-----	740,573	178,478	107,525	143,276	82,873
1951-----	781,125	8/ 211,000	116,256	150,177	110,246
1952-----	821,572	8/ 230,000	8/ 119,000	8/ 159,000	8/ 121,000

1/ Revised 1930-51. 2/ Revised 1924-50. Also includes taxes levied on motor vehicles under general property-tax laws. 3/ Also includes Federal use taxes, 1942-45. 4/ State taxation of motor fuel began in 1919, Federal in 1932. 5/ 1924-44, taxes on motor fuel used in automobiles and motortrucks only; thereafter, also includes taxes on gasoline used in farm tractors. 6/ Taxes on all motor fuel used in automobiles, motortrucks, and tractors. 7/ 1910-14 average. 8/ Preliminary.

Table 23.- Taxes levied on farm real estate: Total, amount per acre, and amount per \$100 of full value, United States, 1890-1952 (year of levy but not necessarily year of payment)

Year	Taxes per acre		Taxes per \$100 of full value 3/	Year	Taxes per acre		Taxes per \$100 of full value 3/
	Amount 1/ Dollars	Index 2/ (1909-13 = 100)			Amount 1/ Dollars	Index 2/ (1909-13 = 100)	
	Dollars				Dollars		
1890-----	0.13	63	---	1922-----	0.54	261	0.96
1891-----	.13	63	---	1923-----	.55	266	1.01
1892-----	.13	64	---	1924-----	.55	265	1.03
1893-----	.13	65	---	1925-----	.56	270	1.06
1894-----	.13	64	---	1926-----	.56	271	1.11
1895-----	.14	65	---	1927-----	.57	277	1.15
1896-----	.13	63	---	1928-----	.58	279	1.18
1897-----	.13	64	---	1929-----	.58	281	1.19
1898-----	.13	63	---	1930-----	.57	277	1.32
1899-----	.13	63	0.66	1931-----	.53	254	1.44
1900-----	.13	62	---	1932-----	.46	220	1.53
1901-----	.13	64	---	1933-----	.39	186	1.27
1902-----	.14	65	---	1934-----	.37	178	1.18
1903-----	.15	71	---	1935-----	.37	180	1.14
1904-----	.15	72	---	1936-----	.38	181	1.12
1905-----	.15	74	---	1937-----	.39	187	1.15
1906-----	.15	75	---	1938-----	.38	185	1.17
1907-----	.16	79	---	1939-----	.39	189	1.21
1908-----	.17	86	---	1940-----	.39	187	1.17
1909-----	.19	90	.48	1941-----	.39	189	1.10
1910-----	.19	91	.47	1942-----	.38	185	.96
1911-----	.21	99	.50	1943-----	.38	185	.83
1912-----	.21	103	.49	1944-----	.40	192	.78
1913-----	.24	117	.55	1945-----	.44	213	.76
1914-----	.24	118	.56	1946-----	.49	237	.76
1915-----	.26	128	.57	1947-----	.57	276	.83
1916-----	.28	136	.57	1948-----	.62	298	.86
1917-----	.31	151	.58	1949-----	.66	320	.95
1918-----	.33	160	.57	1950-----	.69	335	.87
1919-----	.41	200	.59	1951-----	.73	353	.84
1920-----	.51	244	.79	1952-----	.77	371	.90
1921-----	.54	259	.94				

1/ Revised 1930-51. 2/ Revised 1930-51. Index numbers computed before rounding taxes per acre to nearest cent. 3/ Revised 1925-51. Derived from tax-per-acre figures in column 1 and revised value-per-acre figures reported by Bureau of the Census for census years (value-per-acre data for census years 1935 and 1945 not used) and estimated by Bureau of Agricultural Economics for interdecennial years. Value-per-acre figures reported by Bureau of the Census adjusted by Bureau of Agricultural Economics to exclude the value of public and Indian lands included in census figures. No taxes are levied on public and Indian lands. Taxes levied in any particular year are related to values for the next succeeding year. Estimates of values for interdecennial years before 1909 are not available.

Table 24.- Taxes levied on farm real estate: Amount per acre, by States, average 1909-13 and selected years 1920-52 (year of levy but not necessarily year of payment) <sup>1/</sup>

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1950	1951	1952
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine-----	0.28	0.55	0.62	0.81	0.75	0.84	1.00	1.27	1.33	1.34
New Hampshire-----	.31	.57	.69	.76	.81	.88	.92	1.41	1.49	1.61
Vermont-----	.21	.45	.51	.58	.45	.54	.60	.87	.93	.97
Massachusetts-----	.81	1.55	2.00	2.16	2.61	2.70	2.69	3.44	3.71	3.88
Rhode Island-----	.46	.81	1.03	1.35	1.36	1.70	1.90	2.40	2.49	2.70
Connecticut-----	.48	1.08	1.36	1.63	1.79	1.86	2.21	3.30	3.53	3.88
New England-----	.37	.74	.90	1.03	1.10	1.16	1.27	1.68	1.79	1.88
New York-----	.41	.87	1.04	1.04	.95	1.10	1.10	1.66	1.77	1.89
New Jersey-----	.72	1.50	2.18	2.74	2.03	2.31	2.51	3.89	4.27	4.62
Pennsylvania-----	.49	.82	1.11	1.30	.97	.98	1.05	1.38	1.45	1.51
Middle Atlantic-----	.46	.89	1.13	1.24	1.02	1.11	1.15	1.66	1.76	1.87
Ohio-----	.47	1.07	1.31	1.36	.65	.69	.74	1.09	1.18	1.32
Indiana-----	.52	1.26	1.40	1.47	.69	.76	.81	1.35	1.46	1.49
Illinois-----	.40	.99	1.15	1.16	.79	.98	1.10	2.08	2.30	2.45
Michigan-----	.43	1.23	1.26	1.34	.46	.46	.52	.77	.82	.86
Wisconsin-----	.34	1.04	.96	1.05	.75	.78	.96	1.57	1.62	1.74
East North Central-----	.43	1.10	1.21	1.26	.69	.76	.86	1.46	1.57	1.68
Minnesota-----	.23	.76	.78	.87	.61	.66	.85	1.33	1.40	1.47
Iowa-----	.40	1.10	1.15	1.24	.94	1.00	1.21	1.92	2.03	2.13
Missouri-----	.14	.28	.43	.45	.32	.32	.34	.51	.54	.59
North Dakota-----	.14	.44	.37	.38	.23	.22	.25	.43	.43	.43
South Dakota-----	.13	.45	.44	.44	.23	.26	.32	.47	.49	.51
Nebraska-----	.16	.42	.42	.44	.29	.30	.38	.66	.66	.66
Kansas-----	.19	.42	.52	.55	.37	.36	.41	.72	.79	.80
West North Central-----	.20	.54	.58	.61	.41	.43	.52	.83	.87	.90
Delaware-----	.25	.68	.73	.50	.36	.33	.44	.58	.62	.68
Maryland-----	.38	.72	.88	.93	.66	.81	.84	1.15	1.14	1.20
Virginia-----	.11	.23	.34	.34	.25	.27	.29	.46	.48	.52
West Virginia-----	.12	.31	.43	.46	.16	.16	.17	.23	.24	.24
North Carolina-----	.08	.34	.55	.59	.32	.37	.40	.50	.51	.52
South Carolina-----	.13	.35	.39	.40	.30	.30	.26	.36	.36	.40
Georgia-----	.11	.28	.29	.30	.23	.14	.19	.32	.32	.30
Florida-----	.11	.46	.95	.70	.39	.32	.25	.51	.52	.55
South Atlantic-----	.12	.33	.46	.45	.28	.28	.29	.44	.45	.46
Kentucky-----	.15	.38	.40	.43	.30	.32	.38	.63	.67	.68
Tennessee-----	.14	.40	.43	.47	.37	.38	.41	.47	.48	.49
Alabama-----	.09	.19	.21	.25	.21	.20	.23	.26	.27	.27
Mississippi-----	.14	.50	.59	.63	.45	.34	.37	.38	.40	.42
East South Central-----	.13	.36	.41	.44	.33	.31	.34	.43	.45	.46
Arkansas-----	.15	.33	.34	.32	.28	.28	.29	.32	.35	.36
Louisiana-----	.15	.55	.57	.57	.45	.31	.33	.39	.39	.39
Oklahoma-----	.19	.38	.42	.47	.23	.24	.25	.36	.36	.37
Texas-----	.06	.16	.20	.23	.14	.14	.15	.26	.27	.28
West South Central-----	.09	.24	.27	.30	.19	.18	.19	.29	.30	.31
Montana-----	.06	.14	.13	.14	.11	.11	.13	.21	.23	.25
Idaho-----	.24	.63	.58	.64	.45	.45	.55	.85	.96	.99
Wyoming-----	.03	.09	.07	.09	.06	.06	.07	.13	.14	.15
Colorado-----	.11	.27	.28	.28	.19	.20	.23	.35	.38	.44
New Mexico-----	.02	.05	.06	.07	.05	.04	.05	.09	.08	.09
Arizona-----	.06	.18	.19	.20	.14	.13	.12	.36	.35	.37
Utah-----	.15	.47	.46	.52	.38	.30	.33	.48	.52	.47
Nevada-----	.06	.21	.22	.15	.17	.15	.14	.17	.16	.17
Mountain-----	.08	.20	.18	.19	.14	.14	.16	.27	.29	.31
Washington-----	.28	.67	.61	.71	.41	.32	.40	.61	.65	.67
Oregon-----	.15	.37	.37	.40	.32	.33	.32	.76	.81	.84
California-----	.35	.93	1.07	1.14	.63	.83	1.00	1.86	1.94	2.12
Pacific-----	.29	.73	.78	.84	.49	.56	.67	1.27	1.33	1.44
United States-----	.21	.51	.56	.57	.37	.39	.44	.69	.73	.77

<sup>1/</sup> Tax-per-acre figures derived by dividing total taxes levied on farm real estate by acreage of all land in farms except public and Indian lands, on which no taxes are levied.

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Table 25.- Taxes levied on farm real estate: Index numbers of amount per acre, by States, selected years 1920-52 (year of levy but not necessarily year of payment) <sup>1/</sup>

(1909-13 = 100)

State and division	1920	1925	1930	1935	1940	1945	1950	1951	1952
Maine-----	194	219	288	265	297	355	450	472	474
New Hampshire-----	182	220	243	258	279	292	447	474	510
Vermont-----	219	247	281	217	259	290	419	448	469
Massachusetts-----	191	248	268	324	334	334	426	460	480
Rhode Island-----	178	227	298	298	374	417	526	546	593
Connecticut-----	223	282	337	371	384	457	683	730	803
New England-----	198	242	276	294	311	342	452	481	505
New York-----	211	252	252	230	265	266	403	428	459
New Jersey-----	208	303	381	282	321	348	540	594	642
Pennsylvania-----	168	227	267	200	202	215	282	297	311
Middle Atlantic-----	191	244	268	220	241	249	358	381	405
Ohio-----	229	280	292	140	147	158	234	254	284
Indiana-----	241	269	282	132	146	156	259	280	285
Illinois-----	249	289	291	199	246	275	523	577	615
Michigan-----	284	292	310	106	106	121	177	190	200
Wisconsin-----	306	280	309	221	229	281	460	474	509
East North Central-----	257	281	293	160	177	200	310	366	390
Minnesota-----	329	337	375	261	285	367	571	602	633
Iowa-----	272	285	308	233	246	299	475	502	527
Missouri-----	207	311	328	231	231	245	371	392	428
North Dakota-----	309	265	265	161	157	174	301	307	305
South Dakota-----	352	349	349	183	221	253	370	390	400
Nebraska-----	261	266	277	184	190	236	410	413	413
Kansas-----	224	275	292	199	194	220	384	420	425
West North Central-----	269	290	304	207	217	259	415	437	452
Delaware-----	275	292	201	146	133	176	234	249	273
Maryland-----	191	233	245	175	215	223	306	302	318
Virginia-----	210	308	305	226	245	262	418	436	469
West Virginia-----	271	371	395	134	141	146	203	203	206
North Carolina-----	424	700	748	405	464	510	629	651	662
South Carolina-----	272	300	310	228	234	204	280	282	312
Georgia-----	254	263	272	206	129	172	291	288	270
Florida-----	424	875	652	361	293	235	468	485	513
South Atlantic-----	274	379	375	234	232	243	363	370	382
Kentucky-----	252	268	284	196	212	251	421	444	454
Tennessee-----	285	309	339	267	276	298	338	345	352
Alabama-----	212	236	286	239	231	255	288	302	304
Mississippi-----	361	426	457	328	249	267	277	288	307
East South Central-----	281	314	344	258	241	267	334	347	358
Arkansas-----	227	232	217	195	192	198	217	240	249
Louisiana-----	366	379	384	301	210	219	260	259	263
Oklahoma-----	204	221	248	122	127	131	193	192	197
Texas-----	274	352	409	251	241	270	457	465	485
West South Central-----	252	290	319	198	187	201	307	313	325
Montana-----	223	205	217	176	174	202	327	350	379
Idaho-----	267	248	273	190	193	233	362	410	422
Wyoming-----	277	217	275	172	175	210	405	423	444
Colorado-----	245	253	256	170	179	211	318	344	403
New Mexico-----	242	291	333	212	208	249	403	395	430
Arizona-----	293	298	345	221	207	183	575	563	587
Utah-----	311	304	346	250	201	217	315	346	310
Nevada-----	340	348	238	263	230	215	264	252	270
Mountain-----	244	224	239	166	170	201	331	355	380
Washington-----	240	216	252	147	113	141	218	232	240
Oregon-----	251	255	275	220	224	218	519	554	576
California-----	262	301	321	178	233	282	524	547	598
Pacific-----	253	269	290	171	195	233	438	460	496
United States-----	244	270	277	180	187	213	335	353	371

<sup>1/</sup> Index numbers computed before rounding to nearest cent.

Table 26.- Taxes levied on farm real estate: Amount per \$100 of full value, by States, average 1909-13 and selected years 1920-52 (year of levy but not necessarily year of payment) 1/

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1950	1951	1952
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine-----	1.10	1.54	1.57	1.98	2.45	2.87	2.09	2.39	2.57	2.39
New Hampshire-----	1.14	1.64	1.76	1.95	2.47	2.41	1.55	1.85	1.89	1.97
Vermont-----	.85	1.17	1.42	1.58	1.48	1.76	1.33	1.48	1.49	1.56
Massachusetts-----	1.15	1.59	1.76	1.68	2.82	2.41	1.65	1.69	1.74	1.81
Rhode Island-----	.72	.99	1.06	1.10	1.20	1.38	1.02	.96	.97	1.06
Connecticut-----	.72	1.08	1.15	1.08	1.32	1.30	1.08	1.24	1.29	1.40
New England-----	.99	1.38	1.51	1.56	1.90	2.04	1.50	1.65	1.71	1.76
New York-----	.75	1.33	1.46	1.52	1.64	1.99	1.49	1.73	1.67	1.79
New Jersey-----	.83	1.29	1.46	1.67	1.51	1.70	1.12	1.26	1.23	1.31
Pennsylvania-----	.86	1.14	1.49	1.75	1.61	1.65	1.19	1.12	1.06	1.12
Middle Atlantic-----	.77	1.25	1.48	1.63	1.62	1.81	1.31	1.39	1.33	1.42
Ohio-----	.66	1.11	1.53	1.89	1.05	1.01	.64	.67	.65	.73
Indiana-----	.66	1.08	1.73	2.27	1.19	1.18	.70	.83	.82	.82
Illinois-----	.34	.55	.88	1.20	1.06	1.18	.82	1.00	1.03	1.08
Michigan-----	.87	1.62	1.81	2.08	.97	.90	.61	.68	.68	.70
Wisconsin-----	.57	1.04	1.14	1.49	1.37	1.54	1.30	1.59	1.54	1.65
East North Central-----	.54	.91	1.29	1.66	1.13	1.17	.80	.95	.94	.99
Minnesota-----	.46	.70	1.00	1.45	1.39	1.49	1.31	1.36	1.32	1.43
Iowa-----	.38	.52	.81	1.14	1.19	1.26	.97	1.03	1.03	1.11
Missouri-----	.26	.34	.75	.98	.94	.98	.63	.68	.65	.74
North Dakota-----	.46	1.11	1.30	1.70	1.31	1.70	1.12	1.30	1.16	1.13
South Dakota-----	.31	.66	1.05	1.41	1.16	1.98	1.28	1.17	1.08	1.15
Nebraska-----	.33	.52	.70	.85	.87	1.35	.89	.94	.86	.86
Kansas-----	.45	.68	1.06	1.24	1.17	1.23	.86	.98	.98	.97
West North Central-----	.38	.60	.90	1.19	1.14	1.33	.98	1.04	1.00	1.06
Delaware-----	.48	1.04	1.05	.68	.64	.51	.45	.47	.44	.47
Maryland-----	.75	.99	1.12	1.16	1.06	1.20	.81	.84	.72	.75
Virginia-----	.38	.43	.68	.75	.65	.65	.41	.49	.46	.48
West Virginia-----	.41	.77	1.10	1.26	.53	.50	.34	.36	.34	.34
North Carolina-----	.36	.71	1.09	1.48	.91	.95	.53	.46	.42	.41
South Carolina-----	.49	.66	.96	1.26	1.09	.94	.45	.47	.44	.48
Georgia-----	.58	.79	1.09	1.27	1.22	.66	.54	.67	.59	.53
Florida-----	.42	.86	.88	.89	.77	.82	.36	.79	.74	.77
South Atlantic-----	.47	.70	.97	1.13	.88	1.12	.48	.56	.51	.51
Kentucky-----	.50	.73	.92	1.08	.98	.84	.56	.69	.65	.70
Tennessee-----	.54	.89	1.02	1.23	1.14	1.03	.62	.55	.51	.52
Alabama-----	.60	.82	.81	.98	.99	.93	.60	.47	.44	.43
Mississippi-----	.72	1.69	1.99	2.08	1.94	1.32	.82	.59	.56	.58
East South Central-----	.56	.95	1.15	1.32	1.24	1.01	.64	.59	.56	.57
Arkansas-----	.78	.91	1.01	1.12	1.23	1.07	.65	.46	.47	.49
Louisiana-----	.62	1.41	1.44	1.40	1.37	.86	.54	.44	.41	.40
Oklahoma-----	.72	.92	1.22	1.39	.91	.98	.62	.59	.54	.57
Texas-----	.32	.55	.70	.92	.76	.71	.43	.47	.42	.48
West South Central-----	.47	.74	.88	1.07	.89	.82	.49	.49	.44	.49
Montana-----	.34	.75	1.02	1.37	1.60	1.39	.83	1.01	1.00	1.06
Idaho-----	.52	.98	1.34	1.65	1.23	1.29	.77	1.03	1.13	1.24
Wyoming-----	.26	.55	.98	1.12	1.11	.94	.56	.79	.78	.82
Colorado-----	.36	.81	1.21	1.44	1.65	1.51	.83	.91	.95	1.20
New Mexico-----	.26	.64	.99	1.13	1.05	.67	.31	.37	.34	.39
Arizona-----	.18	.71	1.38	1.45	1.71	1.12	.38	.79	.70	.73
Utah-----	.44	1.19	1.20	1.54	1.80	1.33	.78	.88	.94	.86
Nevada-----	.38	.84	1.38	1.03	1.50	1.17	.65	.76	.71	.75
Mountain-----	.38	.84	1.16	1.39	1.46	1.25	.68	.85	.87	.96
Washington-----	.55	1.01	1.06	1.43	1.17	.76	.47	.65	.65	.69
Oregon-----	.36	.73	.89	1.18	1.37	1.14	.56	1.13	.99	1.23
California-----	.59	.86	1.02	1.11	.89	1.09	.58	1.05	1.06	1.17
Pacific-----	.54	.87	1.01	1.17	1.00	1.04	.56	.99	.98	1.10
United States-----	.50	.79	1.08	1.32	1.14	1.17	.76	.87	.84	.90

1/ Derived from tax-per-acre figures in table 24 and value-per-acre figures reported by Bureau of the Census for census years and estimated by Bureau of Agricultural Economics for intercensal years. Value-per-acre figures reported by the Bureau of the Census adjusted by Bureau of Agricultural Economics to exclude value and acreage of public and Indian lands included in census figures. No taxes are levied on public and Indian lands. Taxes levied in any particular year are related to values for the next succeeding year.

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Table 27.- Farm fire losses, United States, 1937-52 <sup>1/</sup>

Year	Amount	Year	Amount	Year	Amount
	Million dollars		Million dollars		Million dollars
1937-----	66	1943-----	75	1949-----	113
1938-----	73	1944-----	80	1950-----	116
1939-----	76	1945-----	82	1951-----	127
1940-----	71	1946-----	90	1952-----	133
1941-----	68	1947-----	101		
1942-----	64	1948-----	119		

<sup>1/</sup> Represents fire and lightning losses on buildings, implements and machinery, livestock, crops, and household goods.

Table 28.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, United States, 1914-52 <sup>1/</sup>

Year	Companies <sup>2/</sup>	Insurance in force at end of year	Cost per \$100 of insurance			Surplus and reserves at end of year <sup>3/</sup>
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
1914-----	1,947	5,264,119	20.4	6.0	26.4	-
1915-----	1,879	5,366,760	17.5	6.0	23.5	-
1916-----	1,883	5,635,968	19.6	5.9	25.5	-
1917-----	1,829	5,876,853	18.2	6.4	24.6	-
1918-----	1,866	6,391,522	18.8	6.3	25.1	-
1919-----	1,922	6,937,523	17.3	7.8	25.1	-
1920-----	1,944	7,865,988	17.4	8.4	25.8	-
1921-----	1,951	8,409,683	19.4	7.8	27.2	-
1922-----	1,918	8,769,948	20.9	5.8	26.7	-
1923-----	1,907	9,057,938	19.8	6.6	26.4	-
1924-----	1,929	9,487,029	20.4	6.5	26.9	-
1925-----	1,839	9,477,139	21.1	6.7	27.8	-
1926-----	1,911	9,988,580	19.4	6.9	26.3	-
1927-----	1,889	10,345,463	19.0	6.3	25.3	-
1928-----	1,884	10,781,212	20.5	6.6	27.1	-
1929-----	1,876	11,118,510	21.8	6.6	28.4	-
1930-----	1,886	11,382,104	24.8	6.8	31.6	-
1931-----	1,863	11,292,339	24.1	6.9	31.0	-
1932-----	1,847	10,974,082	24.9	7.1	32.0	-
1933-----	1,826	10,466,384	21.2	7.3	28.5	-
1934-----	1,852	10,571,508	19.7	7.2	26.9	-
1935-----	1,941	11,083,300	15.7	7.5	23.2	33,656
1936-----	1,936	11,339,510	20.7	7.4	28.1	35,083
1937-----	1,924	11,569,476	16.5	7.6	24.1	37,479
1938-----	1,914	11,868,569	18.0	8.0	26.0	40,105
1939-----	1,904	12,143,881	18.4	8.2	26.6	41,819
1940-----	1,898	12,294,287	17.1	8.1	25.2	45,474
1941-----	1,885	12,518,913	16.2	8.4	24.6	50,119
1942-----	1,877	12,982,390	14.6	8.1	22.7	55,797
1943-----	1,878	13,777,555	16.2	7.7	23.9	61,413
1944-----	1,847	14,221,012	15.9	7.8	23.7	63,490
1945-----	1,841	15,170,456	15.6	8.0	23.6	70,644
1946-----	1,833	16,941,434	15.8	8.8	24.6	76,194
1947-----	1,803	19,263,745	15.8	8.5	24.3	85,625
1948-----	1,806	20,769,410	16.4	8.7	25.1	93,328
1949-----	1,808	22,488,417	14.0	8.3	22.3	108,033
1950-----	1,777	24,160,742	14.6	8.4	23.0	122,384
1951 <sup>4/</sup> -----	1,727	25,336,791	14.3	8.1	22.4	131,108
1952 <sup>5/</sup> -----	-	31,133,000	14.2	8.1	22.3	163,325

<sup>1/</sup> For 1914-33 includes companies with more than 65 percent of their insurance on farm property; for later years those with more than 50 percent. In recent years between 86 and 88 percent of total insurance has been on farm property.

<sup>2/</sup> Number of companies for which data were obtained; perhaps not entirely complete for any year.

<sup>3/</sup> Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves. Data not compiled before 1935.

<sup>4/</sup> Revised and preliminary. Data for some companies not available at time of publication.

<sup>5/</sup> Preliminary estimates based on sample of companies; not available by States.

Data for 1914-33 and 1942-52 compiled by Bureau of Agricultural Economics (Agricultural Research Service); those for 1934-41 by Farm Credit Administration.



Table 29.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, by States, 1951 1/

State and division	Companies	Insurance in force at end of year	Cost per \$100 of insurance			Surplus and reserves at end of year 2/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
Maine-----	33	106,851	23.3	18.9	42.2	715
New Hampshire-----	3	78,458	45.1	21.6	66.7	1,531
Vermont-----	4	167,175	22.3	13.2	35.5	-12
Massachusetts 3/-----	0	0	0	0	0	0
Rhode Island-----	2	5,300	27.5	17.7	45.2	214
Connecticut-----	3	60,111	27.2	17.9	45.1	470
New England-----	45	417,895	27.4	16.9	44.3	2,918
New York-----	127	1,487,665	19.6	9.1	28.7	8,041
New Jersey-----	10	318,731	33.1	19.7	52.8	3,197
Pennsylvania-----	136	1,923,596	21.3	10.2	31.5	9,252
Middle Atlantic-----	273	3,729,992	21.7	10.6	32.3	20,490
Ohio-----	92	1,913,445	15.1	4.8	19.9	6,214
Indiana-----	62	1,005,500	15.3	5.2	20.5	5,715
Illinois-----	203	2,109,672	11.0	6.6	17.6	9,722
Michigan-----	59	1,436,040	18.2	11.4	29.6	7,384
Wisconsin-----	192	2,415,527	10.2	4.3	14.5	8,422
East North Central-----	608	8,880,184	13.3	6.2	19.5	37,457
Minnesota-----	154	2,068,774	9.7	4.6	14.3	7,414
Iowa-----	151	2,897,762	11.1	4.7	15.8	12,365
Missouri-----	96	613,497	20.4	7.1	27.5	3,212
North Dakota-----	33	340,518	8.5	7.8	16.3	1,619
South Dakota-----	45	567,986	6.6	5.1	11.7	3,716
Nebraska-----	43	1,029,788	5.5	9.3	14.8	3,487
Kansas-----	14	1,349,038	17.2	12.8	30.0	4,475
West North Central-----	536	8,867,363	11.3	6.7	18.0	36,288
Delaware-----	3	10,354	15.4	20.3	35.7	211
Maryland-----	10	309,097	13.0	14.7	27.7	3,811
Virginia-----	36	346,400	12.5	11.7	24.2	4,126
West Virginia-----	14	194,129	8.3	12.1	20.4	2,154
North Carolina-----	21	91,137	17.6	11.1	28.7	1,534
South Carolina-----	10	26,650	27.5	23.0	50.5	772
Georgia-----	15	101,677	21.0	18.4	39.5	1,195
Florida 3/-----	0	0	0	0	0	0
South Atlantic-----	109	1,079,444	13.5	13.6	27.1	13,803
Kentucky-----	17	158,644	27.1	16.3	43.4	3,013
Tennessee-----	29	148,573	17.8	16.4	34.2	1,006
Alabama-----	2	59,494	33.7	24.2	57.9	500
Mississippi-----	1	11,633	81.3	30.7	112.0	146
East South Central-----	49	378,344	25.6	17.7	43.3	4,665
Arkansas-----	18	150,016	45.2	25.3	70.5	1,033
Louisiana 3/-----	0	0	0	0	0	0
Oklahoma-----	3	23,801	39.6	6.3	45.9	787
Texas-----	33	330,407	12.4	5.8	18.2	2,671
West South Central-----	54	504,224	23.2	11.4	34.6	4,491
Montana-----	12	63,724	14.3	8.1	22.4	481
Idaho-----	8	212,823	13.3	7.8	21.1	824
Wyoming-----	3	14,230	14.0	13.0	27.0	68
Colorado-----	5	184,249	18.8	11.5	30.3	571
New Mexico 3/-----	0	0	0	0	0	0
Arizona 3/-----	0	0	0	0	0	0
Utah-----	1	35,500	13.2	19.0	32.2	617
Nevada 3/-----	0	0	0	0	0	0
Mountain-----	29	510,526	15.4	10.2	25.6	2,561
Washington-----	4	169,257	13.7	14.0	27.7	2,929
Oregon-----	5	84,660	14.2	15.0	29.2	1,045
California-----	15	714,902	9.4	13.5	22.9	4,461
Pacific-----	24	968,819	10.6	13.7	24.3	8,435
United States-----	1,727	25,336,791	14.3	8.1	22.4	131,108

1/ Preliminary. Includes companies with more than half of their insurance on farm property. In recent years between 86 and 88 percent of their total insurance has been on farm property. Data for some companies not available at time of publication.

2/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves.

3/ No mutual fire insurance company with more than half of its insurance on farm property.

Table 30.- Comparative balance sheet of agriculture, United States, January 1, 1940-53 1/2

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953
<b>ASSETS</b>														
Physical assets:														
Real estate-----	33.6	34.6	37.9	42.1	48.8	54.8	61.8	68.8	73.9	76.8	75.3	85.8	93.7	92.3
Non-real-estate:														
Livestock-----	5.1	5.3	7.1	9.6	9.7	9.0	9.7	11.9	13.3	14.4	12.9	17.1	19.6	14.9
Machinery and motor vehicles-----	3.1	3.6	4.4	5.3	5.8	6.3	6.3	6.6	8.4	10.9	13.0	13.8	15.8	16.6
Crops stored on and off farms 2/-----	2.6	2.9	3.8	5.1	6.1	6.7	6.3	7.1	9.0	8.6	7.6	7.9	8.8	9.1
Household furnishings and equipment 3/-----	4.3	4.3	4.5	4.6	4.6	4.7	4.8	5.3	6.1	6.9	7.7	8.6	9.3	10.0
Financial assets:														
Deposits and currency-----	3.9	4.3	5.3	7.0	8.6	10.6	12.9	14.4	14.4	13.9	13.3	13.3	13.8	14.2
United States savings bonds-----	.3	.4	.5	1.1	2.2	3.4	4.1	4.1	4.4	4.6	4.8	4.9	4.9	5.0
Investments in cooperatives-----	.8	.9	.9	1.0	1.1	1.2	1.3	1.5	1.7	1.9	2.1	2.3	2.5	2.7
Total 5/-----	53.7	56.3	64.4	75.8	86.9	96.7	107.2	119.7	131.2	138.0	136.7	153.7	168.4	164.8
<b>CLAIMS</b>														
Liabilities:														
Real estate debt-----	6.6	6.5	6.4	6.0	5.4	4.9	4.8	4.9	5.1	5.3	5.6	6.1	6.6	7.2
Non-real-estate debt:														
To principal institutions:														
Excluding loans held and guaranteed by Commodity Credit Corporation-----	1.5	1.6	1.8	1.7	1.7	1.6	1.7	2.0	2.3	2.7	2.8	3.4	4.1	4.2
Loans held and guaranteed by Commodity Credit Corporation-----	.4	.6	.6	.8	.6	.7	.3	.1	.1	1.2	1.7	.8	.6	1.2
To others 6/-----	1.5	1.7	1.7	1.5	1.2	1.1	1.2	1.5	1.8	2.2	2.4	2.8	3.2	3.4
Total liabilities 5/-----	10.0	10.4	10.5	10.0	8.9	8.3	8.0	8.5	9.3	11.4	12.5	13.1	14.5	16.0
Proprietors' equities 5/-----	43.7	45.9	53.9	65.8	78.0	88.4	99.2	111.2	121.9	126.6	124.2	140.6	153.9	148.8
Total 5/-----	53.7	56.3	64.4	75.8	86.9	96.7	107.2	119.7	131.2	138.0	136.7	153.7	168.4	164.8

1/ All series revised except for livestock and non-real-estate debt. Margin of error of the estimates varies with the items.

2/ Includes all crops held on farms for whatever purpose and crops held in bonded warehouses as security for Commodity Credit Corporation loans. The latter on January 1, 1953 totaled 705 million dollars.

3/ Estimated valuation for 1940, plus purchases minus depreciation since then.

4/ Preliminary.

5/ Computed from rounded data.

6/ Includes individuals, merchants, dealers, and others. Estimates based on fragmentary data.

Table 31.- Comparative income statement for agriculture, United States, 1940-52

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950 <sup>1</sup>	1951 <sup>1</sup>	1952 <sup>1</sup>
HOW NET INCOME WAS OBTAINED													
Total gross farm income:													
Cash receipts from farm marketings:	8,332	11,075	15,486	19,358	20,377	21,383	24,564	29,706	30,207	27,944	28,328	32,799	32,373
Government payments to farmers:	724	544	650	645	776	742	772	314	257	185	283	286	275
Home consumption of farm products:	1,239	1,442	1,772	2,140	2,169	2,218	2,528	2,666	2,635	2,189	2,007	2,243	2,144
Rental value of farm dwellings:	625	646	684	727	791	980	1,103	1,316	1,421	1,445	1,448	1,634	1,734
Net change in inventory <sup>2</sup> :	270	452	1,159	-176	-445	-462	-249	-2,289	1,136	-875	923	1,404	654
Total:	11,190	14,159	19,751	22,694	23,668	24,861	28,718	31,713	35,656	30,888	32,989	38,366	37,180
Production costs, other than wages, rent, and interest on mortgages:													
Feed bought:	998	1,089	1,625	2,135	2,427	2,738	3,022	3,746	3,996	3,025	3,388	3,970	4,278
Livestock bought, except horses and mules:	530	650	900	948	839	1,043	1,214	1,416	1,635	1,610	2,051	2,513	2,009
Fertilizer and lime bought:	261	292	352	423	476	562	675	746	811	882	938	1,061	1,165
Vehicle operation:	584	645	812	932	1,068	1,048	1,295	1,505	1,697	1,735	1,900	2,048	2,131
Depreciation and maintenance:	1,085	1,246	1,460	1,640	1,828	1,953	2,103	2,571	3,141	3,585	4,037	4,443	4,755
Taxes on farm real estate and personal property:	446	457	461	472	495	554	617	705	765	823	919	992	1,052
Seed bought:	197	203	301	406	440	435	428	514	581	544	536	646	722
Miscellaneous:	766	858	975	1,041	1,070	1,103	1,257	1,546	1,678	1,775	1,792	2,139	2,274
Total:	4,867	5,440	6,886	7,997	8,643	9,436	10,611	12,749	14,304	13,979	15,561	17,812	18,386
Net income from agriculture:	6,323	8,719	12,865	14,697	15,025	15,425	18,107	18,964	21,352	16,909	17,428	20,554	18,794
HOW NET INCOME WAS DISTRIBUTED													
Wages to hired labor (cash and perquisites):	1,031	1,254	1,642	2,039	2,213	2,308	2,553	2,819	3,029	2,855	2,724	2,920	2,996
Net rent and Government payments to landlords not living on farms <sup>3</sup> :	431	677	943	1,048	1,057	1,073	1,394	1,438	1,354	1,094	1,155	1,294	1,326
Interest to holders of farm mortgages:	293	284	272	246	230	220	216	222	242	242	264	291	319
Net income of farm operators:	4,568	6,504	10,008	11,364	11,525	11,824	13,944	14,485	15,740	12,718	13,285	16,049	14,553
Net income from agriculture:	6,323	8,719	12,865	14,697	15,025	15,425	18,107	18,964	21,352	16,909	17,428	20,554	18,794
REALIZED NET INCOME OF FARM OPERATORS													
Net income of farm operators:	4,568	6,504	10,008	11,364	11,525	11,824	13,944	14,485	15,740	12,718	13,285	16,049	14,553
Net change in inventory:	270	452	1,159	-176	-445	-462	-249	-2,289	1,136	-875	923	1,404	654
Realized net income of farm operators:	4,298	6,052	8,849	11,540	11,970	12,286	14,193	16,774	15,604	13,593	12,362	14,645	13,499

1/ Revised.

2/ Market value, in terms of prices at end of year, of increase or decrease in physical quantities of crops and livestock.

3/ After subtraction of taxes, mortgage interest, and other expenses paid by such landlords.

1/ Farm  
August  
July  
June  
May  
April  
March  
February  
January  
1953:  
December  
November  
October  
September  
August  
1950-----  
1949-----  
1948-----  
1947-----  
1946-----  
1945-----  
1944-----  
1943-----  
1942-----  
1941-----  
1940-----  
1939-----  
1938-----  
1937-----  
1936-----  
1935-----  
1934-----  
1933-----  
1932-----  
1931-----  
1930-----

Table 32.- Farm real estate: Land transfers and value, United States, 1930-53

Year ended March 15	Number of farms changing ownership per 1,000 farms				Index of average value per acre <sup>2/</sup> (1912-14 = 100)
	Voluntary sales and trades	Forced sales and related defaults	Other <sup>1/</sup>	Total	
	Number	Number	Number	Number	
1930-----	23.7	20.8	17.0	61.5	115
1931-----	19.0	26.1	16.8	61.9	103
1932-----	16.2	41.7	18.8	76.7	86
1933-----	16.8	54.1	22.7	93.6	70
1934-----	17.8	39.1	21.7	78.6	74
1935-----					
1936-----	19.4	28.3	21.4	69.1	76
1937-----	24.8	26.2	21.9	72.9	80
1938-----	31.5	22.4	20.1	74.0	83
1939-----	30.5	17.4	17.5	65.4	84
1940-----	29.7	17.0	17.1	63.8	82
1941-----					
1942-----	30.2	15.9	16.9	63.0	82
1943-----	34.1	13.9	15.7	63.7	83
1944-----	41.7	9.3	15.1	66.1	90
1945-----	45.8	6.6	14.6	67.0	98
1946-----	55.9	4.9	15.3	76.1	112
1947-----					
1948-----	51.5	3.0	15.2	69.7	124
1949-----	57.4	2.3	15.3	75.0	140
1950-----	57.7	1.8	16.3	75.8	155
1951-----	49.0	1.5	15.4	65.9	167
1952-----	40.8	1.6	14.5	56.9	172
1953-----					
1950-----	37.1	1.8	13.4	52.3	168
1951-----	39.4	1.8	12.8	54.0	193
1952-----	37.5	2.0	12.9	52.4	211
1953-----	34.3	1.5	11.8	47.6	208

<sup>1/</sup> Largely inheritance, gifts, and sales in settlement of estates; also includes a small number of miscellaneous and unclassified transfers. <sup>2/</sup> Revised series. As of March 1.

Table 33.- Cash receipts from farming, and indexes of prices received by farmers, of prices paid by farmers, and of rural retail sales, United States, 1930-53

Year or month	Cash receipts from farming <sup>1/</sup>	Prices received by farmers (1910-14 = 100)	Prices paid by farmers (1910-14 = 100)	Rural retail sales <sup>2/</sup> (1935-39 = 100)
	Million dollars			
1930-----	9,050	125	151	85
1931-----	6,369	87	130	67
1932-----	4,735	65	112	55
1933-----	5,439	70	109	60
1934-----	6,760	90	120	72
1935-----				
1936-----	7,647	109	124	86
1937-----	8,634	114	124	99
1938-----	9,155	122	131	105
1939-----	8,149	97	124	99
1940-----	8,582	95	123	110
1941-----				
1942-----	9,056	100	124	117
1943-----	11,619	123	132	148
1944-----	16,136	158	152	164
1945-----	20,003	192	170	159
1946-----	21,153	196	182	166
1947-----				
1948-----	22,125	206	189	173
1949-----	25,336	234	207	248
1950-----	30,020	275	239	290
1951-----	30,464	285	259	319
1952-----	28,129	249	250	289
1953-----				
1950-----	28,611	256	255	307
1951-----	33,085	302	281	324
1952-----	32,648	288	286	328
August-----	2,896	295	287	342
September-----	3,467	288	285	312
October-----	4,011	282	282	316
November-----	3,328	277	281	334
December-----	2,958	269	280	372
1953-----				
January-----	2,834	267	282	335
February-----	1,949	263	280	332
March-----	2,100	264	281	348
April-----	2,001	259	279	313
May-----	2,010	261	279	344
June-----	2,193	259	276	355
July-----	2,456	259	278	354
August-----	2,494	258	278	339

<sup>1/</sup> Farm marketings and Government payments. <sup>2/</sup> Monthly figures adjusted for seasonal variation. Department of Commerce. <sup>3/</sup> Revised.

Table 34.- Farm real estate values: Index numbers of average value per acre, by States,  
March 1, selected years, 1915-53 <sup>1/</sup>  
(1912-14 = 100)

State and division	1915	1920	1925	1930	1935	1940	1945	1948	1949	1950	1951	1952	1953
Maine-----	96	142	124	124	94	95	118	137	144	132	130	127	137
New Hampshire-----	101	129	111	111	90	94	117	142	144	136	142	147	152
Vermont-----	104	150	125	123	101	101	129	171	185	176	185	196	196
Massachusetts-----	98	140	132	131	111	113	133	154	159	152	163	170	171
Rhode Island-----	102	130	128	134	118	120	144	183	191	184	199	203	203
Connecticut-----	100	137	137	140	123	124	150	193	195	191	204	210	213
New England-----	99	140	127	127	104	106	130	159	166	157	164	169	173
New York-----	100	133	111	103	84	86	109	142	154	152	159	175	175
New Jersey-----	100	130	124	125	111	116	149	187	196	193	204	230	233
Pennsylvania-----	100	140	114	107	82	90	123	154	165	157	180	200	199
Middle Atlantic-----	100	136	114	106	85	90	119	151	162	157	172	191	190
Ohio-----	107	159	110	90	66	77	120	167	175	167	200	224	223
Indiana-----	102	161	102	80	61	74	124	172	176	174	208	228	210
Illinois-----	102	160	115	91	61	75	112	150	158	162	190	206	210
Michigan-----	105	154	133	121	83	91	145	197	202	198	228	243	249
Wisconsin-----	104	171	130	117	82	84	110	145	151	145	162	172	172
East North Central-----	104	161	116	96	68	78	119	161	167	166	194	211	213
Minnesota-----	107	213	159	133	83	86	115	158	164	169	197	212	207
Iowa-----	112	213	136	113	67	74	108	150	155	158	183	194	188
Missouri-----	102	167	112	92	58	59	91	116	123	124	145	162	154
North Dakota-----	103	145	109	95	67	52	77	111	119	115	125	143	146
South Dakota-----	101	181	115	93	54	41	60	90	96	97	111	126	122
Nebraska-----	101	179	123	113	72	58	85	127	139	130	154	169	169
Kansas-----	103	151	115	113	73	71	112	165	171	169	189	208	211
West North Central-----	105	184	126	109	68	65	96	136	143	142	164	179	177
Delaware-----	100	139	112	111	82	89	123	162	163	158	170	195	199
Maryland-----	104	166	131	123	91	100	147	200	206	199	219	250	254
Virginia-----	97	189	154	134	97	112	171	226	246	235	267	300	310
West Virginia-----	101	154	120	105	78	85	106	149	155	139	155	164	165
North Carolina-----	102	223	187	158	111	138	224	320	339	341	377	425	446
South Carolina-----	94	230	138	104	76	89	162	208	223	203	225	244	249
Georgia-----	94	217	116	100	72	82	133	180	195	181	200	225	235
Florida-----	97	178	172	172	126	133	225	226	220	226	254	280	286
South Atlantic-----	98	199	147	127	92	106	169	220	232	224	250	278	288
Kentucky-----	100	200	140	127	87	113	187	261	281	272	310	344	330
Tennessee-----	100	200	137	123	91	108	177	258	271	265	295	319	321
Alabama-----	98	177	154	143	110	122	178	250	274	260	290	321	337
Mississippi-----	97	218	136	122	90	106	165	235	245	244	282	309	320
East South Central-----	99	199	141	128	93	112	178	253	270	263	297	326	327
Arkansas-----	95	222	160	141	88	95	167	236	259	247	284	309	302
Louisiana-----	95	198	141	132	103	121	162	200	229	221	235	253	264
Oklahoma-----	95	166	131	127	86	93	130	184	210	202	238	258	250
Texas-----	103	174	146	138	91	99	138	188	189	184	218	251	230
West South Central-----	100	177	144	136	91	99	140	191	198	192	226	255	238
Montana-----	100	126	75	83	47	57	91	126	128	122	137	148	143
Idaho-----	96	172	123	131	79	93	153	181	177	167	178	183	172
Wyoming-----	103	177	100	112	62	74	124	188	185	177	198	210	223
Colorado-----	93	141	92	90	49	62	105	153	152	145	159	168	156
New Mexico-----	100	144	108	126	77	95	182	248	258	250	284	300	287
Arizona-----	97	165	121	147	97	107	183	230	227	215	255	279	281
Utah-----	98	167	130	129	68	74	106	123	125	122	132	135	132
Nevada-----	102	135	102	102	59	65	106	128	127	121	135	141	139
Mountain-----	98	149	100	102	60	73	121	161	161	154	172	182	176
Washington-----	100	140	113	110	60	71	113	134	131	124	130	138	135
Oregon-----	99	130	110	111	62	73	112	131	125	119	128	134	130
California-----	111	167	164	164	97	106	195	218	202	186	202	211	209
Pacific-----	107	156	146	146	85	95	167	189	176	163	177	185	182
United States-----	103	173	128	115	76	82	124	167	172	168	193	211	208

<sup>1/</sup> Revised series. All farm lands, including improvements.



Table 35.- Deposits of country banks: Index numbers of demand, time, and total deposits, selected groups of States, 1940-53 <sup>1/</sup>  
(1947-49 = 100)

Year or month	20 of the leading agricultural States <sup>2/</sup>				3 Lake States <sup>3/</sup>			5 Corn Belt States <sup>4/</sup>			8 cotton-growing States <sup>5/</sup>		
	Total	Demand		Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
		Unad- justed	Adjusted for seasonal variations										
1940	26	21		45	30	25	36	24	20	36	24	20	47
1941	29	25		47	33	29	37	28	25	40	26	24	48
1942	35	33		47	37	37	38	35	33	42	35	33	48
1943	49	51		50	50	56	44	49	51	46	49	50	48
1944	63	66		59	63	69	56	63	66	57	62	63	55
1945	80	82		76	79	83	74	79	81	75	82	85	72
1946	96	98		90	97	103	91	95	97	89	99	102	88
1947	100	100		98	100	100	99	100	101	98	100	100	97
1948	101	101		101	101	102	101	101	101	101	101	102	100
1949	99	99		102	99	99	100	99	98	101	99	98	103
1950	102	102		104	101	103	99	101	101	102	100	100	104
1951	105	107		106	104	110	98	106	107	104	105	105	108
1952	111	112		118	109	117	103	111	111	113	113	112	119
August	110	111	112	120	111	119	104	111	110	115	110	108	120
September	112	114	113	120	113	121	105	112	112	115	113	113	121
October	114	116	114	121	112	120	105	115	115	116	118	118	122
November	115	117	114	122	113	121	106	116	116	117	120	121	123
December	116	117	115	123	113	122	106	116	117	118	120	121	124
1953:													
January	116	118	115	125	114	122	107	117	116	119	121	122	126
February	115	116	114	127	114	121	109	116	115	120	119	119	127
March	114	114	114	128	115	121	109	115	114	120	118	118	128
April	113	113	114	129	114	119	109	115	114	122	117	116	129
May	112	111	114	130	113	117	110	115	113	123	115	114	130
June	112	111	114	131	114	119	110	115	113	123	114	112	131
July	113	112	115	133	115	121	111	117	115	125	114	112	133
August	114	113	115	134	117	124	112	118	116	126	115	112	134
Year or month	3 Delta States <sup>6/</sup>			Texas-Oklahoma			4 Great Plains States <sup>7/</sup>			8 Mountain States <sup>8/</sup>			
	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time	
1940	23	19	45	23	20	74	21	17	46	27	22	45	
1941	27	23	45	26	23	77	23	20	47	29	25	45	
1942	35	33	45	34	30	71	29	27	47	34	32	46	
1943	47	49	43	47	47	62	45	45	49	52	52	51	
1944	60	62	51	61	60	63	58	58	58	66	67	63	
1945	79	81	67	81	81	78	73	73	74	84	84	83	
1946	95	97	85	95	95	88	90	91	87	99	100	96	
1947	96	97	95	97	98	93	99	100	97	99	99	98	
1948	101	101	101	102	102	100	101	101	101	101	101	101	
1949	103	103	104	101	100	107	100	99	102	100	100	101	
1950	104	104	106	109	109	121	99	98	104	101	101	100	
1951	110	110	108	111	110	132	101	100	106	107	108	104	
1952	118	118	119	118	116	164	107	105	118	115	114	121	
August	113	112	121	116	113	168	108	106	119	111	109	122	
September	116	116	121	118	116	169	111	109	121	115	114	124	
October	123	124	122	121	118	170	112	110	123	119	118	126	
November	127	128	124	124	122	173	112	110	124	122	122	127	
December	128	129	124	123	120	175	112	110	125	123	123	128	
1953:													
January	128	128	126	124	121	180	113	110	126	122	121	130	
February	127	127	127	122	118	186	111	108	128	120	118	132	
March	127	127	128	119	116	188	109	105	130	119	116	134	
April	127	127	128	118	114	194	107	104	131	117	113	134	
May	125	125	129	115	111	199	106	102	132	115	111	135	
June	124	122	131	115	110	202	106	101	133	115	110	137	
July	122	120	132	115	111	205	107	102	135	114	109	138	
August	122	120	133	115	111	210	107	103	136	115	109	140	

<sup>1/</sup> Revised series with base changed from 1924-29 to 1947-49. As result of new base, Georgia and Mississippi were replaced by Kentucky and Washington in the 20 States leading in the volume of cash farm income. For revisions of earlier years and discussion of changes, see Agricultural Finance Review, Vol. 15, Supp. I, May 1953, pp. 14 and 50. Indexes are based on deposits of member banks of the Federal Reserve System located in places of less than 15,000 population. Annual indexes are simple averages of monthly indexes which are based on average amounts of daily deposits. In preparing indexes for groups of States, the amounts of monthly deposits for each State are weighted by the cash farm income of each State in the base period.

<sup>2/</sup> Ark., Ill., Ind., Iowa, Kans., Ky., Mich., Minn., Mo., Nebr., N. Y., N. C., N. Dak., Ohio, Okla., Pa., S. Dak., Tex., Wash., and Wis.

<sup>3/</sup> Mich., Wis., and Minn.

<sup>4/</sup> Ohio, Ind., Ill., Mo., and Iowa.

<sup>5/</sup> N. C., S. C., Ga., Ala., Miss., Ark., La., and Okla.

<sup>6/</sup> Miss., Ark., and La.

<sup>7/</sup> N. Dak., S. Dak., Nebr., and Kans.

<sup>8/</sup> Mont., Idaho, Wyo., Colo., N. Mex., Ariz., Utah, and Nev.

Table 36.- Comparative rates and yields on selected bonds and money rates, 1930-53

Year or quarter	Federal land bank bonds 1/		Federal inter- mediate credit bank debenture rates 1/ 4/	United States Government bond yields 2/		Municipal (high- grade) bond yields 8/	Indus- trial bond yields 2/	Rates on prime commer- cial paper (4-6 months) 5/ 10/	Federal Reserve bank discount rates, New York 5/ 11/
	Rates 2/	Yields 3/		Partially tax- exempt bonds 6/	Fully taxable bonds 15 years and over 7/				
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1930-----	4.53	4.58	3.39	3.29		4.07	5.25	3.59	2.00-4.50
1931-----	4.52	5.13	3.21	3.34		4.01	6.08	2.64	1.50-3.50
1932-----	4.53	5.32	3.33	3.68		4.65	6.71	2.73	2.50-3.50
1933-----	4.45	5.18	2.55	3.31		4.71	5.34	1.73	2.00-3.50
1934-----	4.24	4.17	1.83	3.12		4.03	4.52	1.02	1.50-2.00
1935-----	3.86	3.13	1.50	2.79		3.41	4.02	.76	1.50
1936-----	3.60	2.81	1.50	2.65		3.07	3.50	.75	1.50
1937-----	3.54	2.75	1.50	2.68		3.10	3.55	.94	1.00-1.50
1938-----	3.53	2.37	1.24	2.56		2.91	3.50	.81	1.00
1939-----	3.53	1.90	.88	2.36		2.76	3.30	.59	1.00
1940-----	3.53	1.70	.75	2.21		2.50	3.10	.56	1.00
1941-----	3.53	---	.70	2.05		2.10	2.95	.54	1.00
1942-----	3.48	---	.77	2.09	2.46	2.36	2.96	.66	1.00
1943-----	3.42	---	.81	1.98	2.47	2.06	2.85	.69	1.00
1944-----	3.06	---	.87	1.92	2.48	1.86	2.80	.73	1.00
1945-----	2.45	---	.88	1.66	2.37	1.67	2.68	.75	1.00
1946-----	1.55	1.36	.93	---	2.19	1.64	2.60	.81	1.00
1947-----	1.55	1.46	1.11	---	2.25	2.01	2.67	1.03	1.00
1948-----	1.55	1.87	1.55	---	2.44	2.40	2.87	1.44	1.00-1.50
1949-----	1.57	1.54	1.47	---	2.31	2.21	2.74	1.48	1.50
1950-----	1.62	1.67	1.42	---	2.32	1.98	2.67	1.45	1.50-1.75
1951-----	1.71	2.24	2.08	---	2.57	2.00	2.89	2.17	1.75
1952-----	2.07	2.38	2.16	---	2.68	2.19	3.00	2.33	1.75
Jan.-Mar.-----	1.71	2.28	2.20	---	2.72	2.07	2.99	2.38	1.75
Apr.-June-----	2.07	2.22	2.05	---	2.61	2.05	2.97	2.32	1.75
July-Sept.-----	2.07	2.44	2.13	---	2.67	2.22	3.00	2.31	1.75
Oct.-Dec.-----	2.07	2.56	2.27	---	2.73	2.41	3.05	2.31	1.75
1953:-----									
Jan.-Mar.-----	2.35	2.73	2.34	---	2.84	2.54	3.11	2.33	1.75-2.00
Apr.-June-----	2.35	2.93	2.49	---	3.05	2.78	3.38	2.62	2.00
July-Sept.-----	2.35	2.84	2.87	---	2.99	2.92	3.40	2.75	2.00

<sup>1/</sup> Farm Credit Administration.<sup>2/</sup> Based on bonds outstanding at end of each year or quarter, excluding bonds owned by issuing agency.<sup>3/</sup> Average yields on representative outstanding issues.<sup>4/</sup> Based on debentures issued during each year or quarter.<sup>5/</sup> Board of Governors of Federal Reserve System.<sup>6/</sup> For 1930-40 and for the period beginning April 1952, figures represent averages of daily yields on all outstanding issues due or callable in more than 12 years. Beginning in 1941, series shows averages of yields on all outstanding issues due or callable in more than 15 years, of which none was outstanding after 1945.<sup>7/</sup> Fully taxable, marketable 2 1/2-percent bonds first callable after 12 years. Of these, the 1967-72 bonds are the longest term issues. Before April 1, 1952, only bonds due or first callable after 15 years were included.<sup>8/</sup> Standard and Poor's Corporation.<sup>9/</sup> Moody's Investors Service.<sup>10/</sup> Prevailing open-market rates in New York City.<sup>11/</sup> Discount rate on advances secured by Government obligations and on discounts of and advances secured by eligible paper. A rate of one-half of 1 percent was effective from October 30, 1942 to April 23, 1946, on advances secured by Government obligations maturing or callable in 1 year or less.

LIST OF AVAILABLE PUBLICATIONS AND REPORTS  
RELATED TO AGRICULTURAL FINANCE

	Date issued	
<b>Agricultural Credit:</b>		
Average Rate of Interest Charged on Farm-Mortgage Recordings of Selected Lender Groups . . . . .	Nov.	1940
Farm-Mortgage Credit Facilities in the United States . . . . . U.S.D.A. Misc. Pub. 478		1942
Farm-Mortgage Indebtedness in the United States (In Cooperation with Bureau of the Census)		
Number of Mortgaged Farms . . . . .	June	1943
Amount of Farm-Mortgage Debt . . . . .	March	1944
Sales Contracts and Real Estate Investments of Life Insurance Companies . . . . .	March	1944
Revised Annual Estimates of Farm-Mortgage Debt By States, 1930-43 . . . . .	April	1944
Farm-Mortgage Debt in the United States: 1945 (In cooperation with Bureau of the Census) . . . . .	Nov.	1947
Farm-Mortgage Loans and Their Distribution by Lender Groups, 1940-48 . . . . . U.S.D.A. Cir. 812	Aug.	1949
Farm-Mortgage Loans Made or Recorded by Principal Lenders . . . . .	April	1949
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Financing Farm Machinery and Equipment Purchases, 1947 . . . . .	Aug.	1949
Deposits of Country Banks up Most Since Prewar . . . . .	Sept.	1949
1950 Farm-Mortgage Debt, Cooperative Report, 1950 Census of Agriculture, Vol. V, Ft. 8 . . . . .	Dec.	1952
Farm-Mortgage Debt on January 1, 1953 . . . . .	Aug.	1953
<b>Farm Taxation:</b>		
A Graphic Summary of Farm Taxation . . . . . U.S.D.A. Misc. Pub. 262		1937
Tax Treatment of Income From Farm Woodland Under the Revenue Act of 1943 . . . . .	July	1944
Taxes Levied on Farm Real Estate in 1952 (Also releases for earlier years) . . . . .	Sept.	1953
<b>Farm Insurance:</b>		
Reduction in Workmen's Compensation Insurance . . . . .	Sept.	1943
Crop and Livestock Insurance, 1941-1948 . . . . . Library List 47	June	1949
Physical Risks in Farm Production . . . . . Library List 49	Aug.	1949
Social Security and Related Insurance for Farm People . . . . . Library List 50	Nov.	1949
Insurance for Farmers . . . . . U.S.D.A. Far. Bull. 2016	June	1950
Bail Insurance on Growing Crops . . . . . U.S.D.A. Agr. Inf. Bull. 56	June	1951
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Progress in Farm Mutual Legislation . . . . .	July	1952
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Research on Farm Mutual Insurance (Address, Missouri Association of Farm Mutual Insurance Companies) . . . . .	Oct.	1953
Farm Mutual Reinsurance . . . . . U.S.D.A. Agr. Inf. Bull. 119	Dec.	1953
<b>Other:</b>		
Farmer Bankruptcies, 1898-1935 (From Supt. of Documents, Govt. Print. Off., 5¢) . . . . . U.S.D.A. Cir. 414		1936
Agricultural Finance Review (Vols. 1-15) . . . . .		1938-53
Farm Financial Outlook for 1954 (Agricultural Finance Review, Vol. 15, Supp. II) . . . . .	Oct.	1953
Wartime Changes in the Financial Structure of Agriculture (Summary of U.S.D.A. Misc. Pub. 567) . . . . . U.S.D.A. Misc. Pub. 558		1945
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The Balance Sheet of Agriculture, 1945-53 . . . . .		1945-53
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## Vol. 11, November 1948:

- \*\*Production and Farm Ownership Loan Programs of the Farmers Home Administration from Prewar Depression Through War and Postwar Inflation.
- \*Recent Progress of Farmers' Mutual Fire Insurance Companies.
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- \*Capital Used on Various Types and Sizes of Farms.
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- Farm Real Estate Holdings of Lending Agencies.
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- Little Change in Dollar Volume of Mortgages Recorded.
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- Farm Real Estate Values and Transfers.
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- Farmer Bankruptcies Continue Low.
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- \*Rural Homestead and Veterans' Exemptions in Property Taxation.
- \*Limitations to Obtaining Developmental Capital in Agriculture.
- \*\*Hail Insurance on Growing Crops in the United States.
- \*Recent Tax Changes and Their Significance to Agriculture.
- Farm-Mortgage Recordings Rise Sharply in First Half of 1950.
- Farm-Mortgage Debt Shows Further Rise in First Half of 1950.
- Percentage Distribution of Mortgage Loans Made and Held by Life Insurance Companies.
- United States Savings Bonds.
- Farm Real Estate Developments.
- Non-Real-Estate Debt Situation.
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- Old Age and Survivors' Insurance.
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- Taxes Levied on Farm Real Estate.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government and Public Finance, and Farm Construction.

## Vol. 13, Supp., May 1951:

- Farm-Mortgage Debt Situation, January 1, 1951.
- Non-Real-Estate Credit Situation.
- Country Bank Deposits Increase Less Rapidly Than Deposits in Large Cities During 1950.
- Farmer-Owned Demand Deposits Increase Less Than Demand Deposits Owned by Businesses and Other Individuals.
- Farm Real Estate Taxes.
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- Farm Fire Losses.
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- Farm Foreclosures Rise.
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## Vol. 14, Supp., May 1952:

- Farm-Mortgage Debt Situation.
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- Deposits of Insured Commercial Banks.
- Financing the Broker Industry on the Del-Mar-Va Peninsula.
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- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government and Public Finance, and Farm Construction.

## Vol. 15, Supp. I, May 1953:

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- Farm Real Estate Taxes.
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- Farm Financial Outlook for 1954.

\* Signed article.

\*\* Signed article, reprint available.

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